

**Introduced by Committee on Budget and Fiscal Review**

January 9, 2014

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~~An act relating to the Budget Act of 2014.~~ *An act to amend Sections 2005, 2574, 2575, 2576, 2578, 37700, 37710.3, 37710.5, 37712, 41544, 42238.01, 42238.02, 42238.025, 42238.03, 42238.05, 42238.18, 42238.20, 42284, 42285, 46380, 46610, 47605.1, 47613, 47613.1, 47631, 47632, 47635, 47663, 48310, 48359.5, 52064, and 52070 of, to amend the heading of Chapter 7 (commencing with Section 2000) of Part 2 of Division 1 of Title 1 of, to add Sections 41376.1 and 42238.055 to, to repeal Sections 2002, 2003, 2004, 2009, 2554, 42238.53, 46611, and 47634.3 of, to repeal the heading of Article 1 (commencing with Section 2000) of Chapter 7 of Part 2 of Division 1 of Title 1 of, and to repeal and add Sections 46200.5 and 46201.5 of, the Education Code, relating to education finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.*

LEGISLATIVE COUNSEL'S DIGEST

SB 859, as amended, Committee on Budget and Fiscal Review.  
~~Budget Act of 2014.~~ *Education finance: local control funding formula.*

*(1) Existing law authorizes the county superintendent of any county contiguous to an adjoining state to grant permission to pupils residing in the county to attend elementary school or high school in a school district of the adjoining state and to provide for the transportation of the pupils to the school. Existing law requires the county superintendent of schools to pay for the tuition and transportation of these pupils from the county school tuition fund and requires the Superintendent of Public*

*Instruction to apportion an amount to each county superintendent of schools sufficient to pay for these expenditures.*

*This bill would repeal the provisions requiring the county superintendent of schools to pay for the tuition and transportation of pupils attending school in a school district of an adjoining state from the county school tuition fund and would require the Superintendent to apportion an amount to each county superintendent of schools sufficient to pay for the tuition and transportation of those pupils for the 2014–15 fiscal year only. The bill would require the attendance generated by a pupil who was granted permission by a county superintendent of schools to attend school in an adjoining state to be credited to the pupil's school district of residence.*

*(2) Existing law establishes a public school system that requires state funding for county superintendents of schools, school districts, and charter schools to be calculated pursuant to a local control funding formula, as specified. Existing law requires the local control funding formula, in part, to be based upon the percentage of unduplicated pupils enrolled in the school district or charter school and defines unduplicated pupils to include, among other pupils, pupils eligible for free or reduced-price meals, as defined. Existing law requires the annual reporting of the enrollment of unduplicated pupils, including pupils eligible for free and reduced-price meals.*

*This bill would authorize a school to establish a base year free and reduced-price meal eligibility process, pursuant to which the eligibility is determined for all enrolled pupils at least once every 4 years if the school participates in a specified federal alternative that provides free meals to all enrolled pupils at a school. The bill would require a school using this alternative to maintain information on each student's income eligibility status and to annually submit pupil data records showing each pupil's eligibility for free or reduced-price meals. This bill would revise the definition of foster youth, as specified.*

*Existing law requires the Superintendent of Public Instruction to calculate, for each county superintendent of schools, school district, and charter school, a base entitlement for the transition to the local control funding formula that includes, among other things, the sum of the amounts of funding received from appropriations contained in certain budget items of the Budget Act of 2012.*

*The bill, commencing with the 2014–15 fiscal year, would require a certain portion of the base entitlement for school districts and charter schools to be adjusted to reflect the exclusion of one-time redevelopment*

agency liquid asset recovery revenue. The bill would require certain figures and calculations used in the local control funding formula to be considered final, as of specified times, for purposes of certain certifications made by the Superintendent. The bill would, for the 2013–14 and 2014–15 fiscal years only, and for purposes of assuring the continuity of essential induction and training services for beginning teachers, require the Alameda County Superintendent of Schools to withhold \$581,540 from the local control funding formula apportionments of the Newark Unified School District, and to instead allocate those funds to the Alameda, Berkeley, San Leandro, and San Lorenzo Unified School Districts, as specified. The bill would state the findings and declarations of the Legislature as to the necessity of a special law with respect to these school districts. The bill would also make numerous changes to conform existing provisions to the requirements of the local control funding formula. This bill would require the Superintendent to compute a reduction to a school district's local control funding formula if the Superintendent makes specified determinations relating to class size.

As part of the local control funding formula, existing law provides a school district or charter school state-aid funding of no less than the sum of certain amounts received in the 2012–13 fiscal year, including, among other amounts, the 2012–13 fiscal year funding allowance provided for qualifying necessary small elementary schools and necessary small high schools. Existing law defines a necessary small high school as either (1) a high school with an average daily attendance of less than 287 pupils that meets specified conditions, or (2) a high school maintained by a school district for the exclusive purpose of educating juvenile hall pupils or pupils with exceptional needs.

This bill would expand the definition of a necessary small high school to include a high school maintained by a school district for the exclusive purpose of educating juvenile hall pupils or pupils with exceptional needs and, until July 1, 2017, a high school maintained by a county office of education for the exclusive purpose of educating foster youth if certain requirements are satisfied, and a high school maintained by a unified school district as the only comprehensive high school if the high school has an average daily attendance of less than 286 pupils and the school district has 50 or fewer pupils per square mile of school district territory, as measured by the number of pupils residing in the district.

(3) Existing law provides to a basic aid school district that was entitled to a specified reimbursement because a court order directs pupils to transfer to that school district as part of the court-ordered voluntary pupil transfer program, for those transferred pupils, either 70% of the school district local control funding formula base grant, or 70% of certain entitlements, that would have been apportioned to the school district from which the pupils were transferred. Existing law provides to a basic aid school district that is sponsoring a charter school for a pupil of the charter school who resides in, and is otherwise eligible to attend, a school district other than a basic aid school district, either 70% of the school district local control funding formula base grant, or 70% of certain entitlements, that would have been apportioned to the school district that the pupil resides in and would otherwise have been eligible to attend, as specified. Existing law authorizes the governing board of any school district to accept interdistrict transfers and provides to a school district of choice, as defined, that is a basic aid school district for those pupils admitted by the school district of choice either 70% of the school district local control funding formula base grant, or 70% of certain entitlements, that would have been apportioned to the school district of residence, as specified. Existing law, the Open Enrollment Act, authorizes the parent of a pupil enrolled in a low-achieving school, as defined, to submit an application for the pupil to attend a school in a school district of enrollment, as specified, and requires a school district of enrollment that is a basic aid school district, to receive for those pupils enrolled in the basic aid school district pursuant to the Open Enrollment Act either 70% of the school district local control funding formula base grant, or 70% of certain entitlements, that would have been apportioned to the school district of residence, as specified.

This bill would, in all of the instances described above, provide to the basic aid school district only 70% of the school district local control funding formula base grant that would have been apportioned to, (A) for a court-ordered voluntary pupil transfer program, the school district from which the pupils transferred, (B) for a charter school sponsored by a basic aid school district, the school district that the pupil resides in and would otherwise have been eligible to attend, and (C) for a school district of choice or the Open Enrollment Act, the school district of residence, if the entitlements for that school district include funding for necessary small schools, as specified.

(4) Existing law requires the Fallbrook Union High School District to enter into an interdistrict attendance agreement with the Capistrano Unified School District to allow up to 150 pupils, at the request of each pupil's parent or guardian, to attend schools of the Capistrano Unified School District when the pupils reside in the San Onofre housing area of the Marine Corps Base, Camp Joseph H. Pendleton, and requires the Fallbrook Union High School District to pay tuition to the Capistrano Unified School District for the attendance of these pupils only in the amount of the state apportionments paid to the Fallbrook Union High School District for the attendance of these pupils plus a specified amount. Existing law requires the Superintendent of Public Instruction to apportion to the Capistrano Unified School District a certain allowance for educating secondary pupils attending the Capistrano Unified School District pursuant to the interdistrict attendance agreement.

This bill would repeal the requirement for the Superintendent to apportion that allowance for educating secondary pupils attending the Capistrano Unified School District pursuant to the interdistrict attendance agreement and would require the amount of state apportionments provided to the Fallbrook Union High School District and the Capistrano Unified School District for the 2012–13 fiscal year pursuant to these provisions to be included in certain computations made for purposes of the local control funding formula.

(5) Existing law requires a sponsoring local educational agency to annually transfer to each of its charter schools funding in lieu of property taxes, as specified, and provides that these requirements do not apply for pupils who reside in, and are otherwise eligible to attend a school in, a basic aid school district, but who attend a charter school in a nonbasic aid school district. In regard to these pupils, existing law requires the sponsoring basic aid school district to transfer to the charter school a certain amount of funds, as specified.

This bill would authorize a county charter program school to seek in lieu property tax reimbursement from a pupil's school district of residence in certain instances, as specified.

(6) Existing law, on or before July 1, 2014, requires the governing board of each school district and each county board of education to adopt a local control and accountability plan and requires the governing board of each school district and each county board of education to update its local control and accountability plan before July 1 of each year. Existing law requires the charter of a charter school to include

*a reasonably comprehensive description of certain annual goals and the specific annual actions to achieve those goals and requires the charter school to annually update those goals and specific annual actions. Existing law requires the State Board of Education to adopt templates for use by a local educational agency in developing its local control accountability plan and by a charter school in developing its annual goals and specific annual actions to achieve those goals. Existing law requires the state board to adopt the templates in accordance with the provisions of the Administrative Procedure Act, and authorizes the board to adopt emergency regulations for purposes of implementing those provisions.*

*This bill would authorize an alternative procedure for the adoption of the templates if certain requirements are met and would deem the adoption of regulations for adopting the templates an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare.*

*(7) Existing law requires the county superintendent of schools to approve a local control and accountability plan or annual update to a local control and accountability plan for each school district within the county, as specified. Existing law, if a county superintendent of schools has jurisdiction over a single school district, requires the Superintendent to designate a county superintendent of schools of an adjoining county to perform these duties.*

*The bill would, if a county superintendent of schools has jurisdiction over a single school district, require the Superintendent to perform the duties of the county superintendent of schools related to approval of a local control and accountability plan or annual update to a local control and accountability plan.*

*(8) This bill would require the State Board of Education, working in collaboration with the State Department of Education, to report to the Legislature no later than February 1, 2015, regarding the status of implementation of the local control funding formula.*

*(9) This bill would appropriate \$4,747,914,000 from the General Fund for the transition to the local control funding formula calculation for the funding of elementary and secondary education.*

*(10) Funds appropriated by this bill would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.*

(11) *This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.*

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2014.~~

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~  
yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. The heading of Chapter 7 (commencing with*  
2     *Section 2000) of Part 2 of Division 1 of Title 1 of the Education*  
3     *Code is amended to read:*

4  
5     CHAPTER 7. ~~COUNTY SCHOOL TUITION FUND ATTENDANCE IN~~  
6                     ADJOINING STATES  
7

8     *SEC. 2. The heading of Article 1 (commencing with Section*  
9     *2000) of Chapter 7 of Part 2 of Division 1 of Title 1 of the*  
10    *Education Code is repealed.*

11  
12           Article 1. ~~Aid for Attendance in Adjoining States~~  
13

14    *SEC. 3. Section 2002 of the Education Code is repealed.*

15    ~~2002. The county superintendent of schools shall pay for the~~  
16    ~~tuition of pupils residing in his county and attending school in an~~  
17    ~~adjoining state from the county school tuition fund of his county~~  
18    ~~pursuant to this article.~~

19    *SEC. 4. Section 2003 of the Education Code is repealed.*

20    ~~2003. The county superintendent of schools may provide for~~  
21    ~~the transportation of such pupils to and from their homes and the~~  
22    ~~school in an adjoining state attended by them. For this purpose the~~  
23    ~~county superintendent of schools is authorized to purchase,~~  
24    ~~maintain, and operate one or more schoolbuses and to contract~~  
25    ~~with a responsible party or parties for the providing of such~~  
26    ~~transportation by such party or parties.~~

27    ~~In lieu of providing such transportation for any such pupil, the~~  
28    ~~county superintendent of schools may pay the parent or guardian~~  
29    ~~of each such pupil five cents (\$0.05) per mile for each mile~~  
30    ~~necessarily traveled by such pupil in going to and from his home~~  
31    ~~and school except that if there is more than one such pupil in the~~

1 household of the parent or guardian the county superintendent of  
2 schools may pay two and one-half cents (\$.025) for each such  
3 mile for each additional pupil in the household. The total amount  
4 paid to any parent or guardian hereunder shall not in any month  
5 exceed the sum of fifty dollars (\$50) for the one pupil in the  
6 household of such parent or guardian and twenty-five dollars (\$25)  
7 for each additional pupil in the same household.

8 *SEC. 5. Section 2004 of the Education Code is repealed.*

9 ~~2004. Any costs incurred by the county superintendent of~~  
10 ~~schools for the transportation of pupils to a school in an adjoining~~  
11 ~~state shall be paid by him by requisition drawn against the county~~  
12 ~~school tuition fund.~~

13 *SEC. 6. Section 2005 of the Education Code is amended to*  
14 *read:*

15 2005. The superintendent of schools of ~~any a~~ school district,  
16 or the principal of ~~any a~~ school, in an adjoining state attended by  
17 pupils residing in an adjoining county in this state shall certify to  
18 the county superintendent of schools of the county not later than  
19 July 2nd of each year the average daily attendance of pupils from  
20 the county attending the ~~school and the current expenditure,~~  
21 ~~including transportation, incurred for the education of the pupils.~~  
22 ~~school.~~

23 *SEC. 7. Section 2009 of the Education Code is repealed.*

24 ~~2009. The county superintendent of schools shall pay all costs~~  
25 ~~of transportation and all verified claims for tuition of pupils~~  
26 ~~attending school in adjoining states allowed under this article, by~~  
27 ~~requisition drawn against the county school tuition fund.~~

28 *SEC. 8. Section 2554 of the Education Code is repealed.*

29 ~~2554. In each fiscal year, beginning with fiscal year 1979-80,~~  
30 ~~for tuition for students attending schools in adjoining states, the~~  
31 ~~Superintendent of Public Instruction shall apportion an amount to~~  
32 ~~each county superintendent sufficient to pay the amounts required~~  
33 ~~or allowed to be paid pursuant to Sections 2002 to 2006, inclusive.~~

34 *SEC. 9. Section 2574 of the Education Code is amended to*  
35 *read:*

36 2574. For the 2013-14 fiscal year and for each fiscal year  
37 thereafter, the Superintendent annually shall calculate a county  
38 local control funding formula for each county superintendent of  
39 schools as follows:



(a) Compute a county office of education operations grant equal to the sum of each of the following amounts:

(1) Six hundred fifty-five thousand nine hundred twenty dollars (\$655,920).

(2) One hundred nine thousand three hundred twenty dollars (\$109,320) multiplied by the number of school districts for which the county superintendent of schools has jurisdiction pursuant to Section 1253.

(3) (A) Seventy dollars (\$70) multiplied by the number of units of countywide average daily attendance, up to a maximum of 30,000 units.

(B) Sixty dollars (\$60) multiplied by the number of units of countywide average daily attendance for the portion of countywide average daily attendance, if any, above 30,000 units, up to a maximum of 60,000 units.

(C) Fifty dollars (\$50) multiplied by the number of units of countywide average daily attendance for the portion of countywide average daily attendance, if any, above 60,000, up to a maximum of 140,000 units.

(D) Forty dollars (\$40) multiplied by the number of units of countywide average daily attendance for the portion of countywide average daily attendance, if any, above 140,000 units.

(E) For purposes of this section, countywide average daily attendance means the aggregate number of annual units of average daily attendance within the county attributable to all school districts for which the county superintendent of schools has jurisdiction pursuant to Section 1253, charter schools authorized by school districts for which the county superintendent of schools has jurisdiction, and charter schools authorized by the county superintendent of schools.

(4) For the 2014–15 fiscal year and each fiscal year thereafter, adjust each of the rates provided in the prior year pursuant to paragraphs (1), (2), and (3) by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year. This percentage change shall be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month

1 period ending in the third quarter of the second preceding fiscal  
2 year, using the latest data available as of May 10 of the preceding  
3 fiscal year, as reported by the Department of Finance.

4 (b) Determine the enrollment percentage of unduplicated pupils  
5 pursuant to the following:

6 (1) (A) For the 2013–14 fiscal year, divide the enrollment of  
7 unduplicated pupils in all schools operated by a county  
8 superintendent of schools in the 2013–14 fiscal year by the total  
9 enrollment in those schools in the 2013–14 fiscal year.

10 (B) For the 2014–15 fiscal year, divide the sum of the enrollment  
11 of unduplicated pupils in all schools operated by a county  
12 superintendent of schools in the 2013–14 and 2014–15 fiscal years  
13 by the sum of the total enrollment in those schools in the 2013–14  
14 and 2014–15 fiscal years.

15 (C) For the 2015–16 fiscal year and each fiscal year thereafter,  
16 divide the sum of the enrollment of unduplicated pupils in all  
17 schools operated by a county superintendent of schools in the  
18 current fiscal year and the two prior fiscal years by the sum of the  
19 total enrollment in those schools in the current fiscal year and the  
20 two prior fiscal years.

21 (D) (i) *For purposes of the quotients determined pursuant to*  
22 *subparagraphs (B) and (C), the Superintendent shall use a county*  
23 *superintendent of schools' enrollment of unduplicated pupils and*  
24 *total pupil enrollment in the 2014–15 fiscal year instead of the*  
25 *enrollment of unduplicated pupils and total pupil enrollment in*  
26 *the 2013–14 fiscal year if doing so would yield an overall greater*  
27 *percentage of unduplicated pupils.*

28 (ii) *It is the intent of the Legislature to review each county office*  
29 *of education's enrollment of unduplicated pupils for the 2013–14*  
30 *and 2014–15 fiscal years and provide one-time funding, if*  
31 *necessary, for a county office of education with higher enrollment*  
32 *of unduplicated pupils in the 2014–15 fiscal year as compared to*  
33 *the 2013–14 fiscal year.*

34 ~~(D)~~

35 (E) For purposes of determining the enrollment percentage of  
36 unduplicated pupils pursuant to this subdivision, enrollment in  
37 schools or classes established pursuant to Article 2.5 (commencing  
38 with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title  
39 2 and the enrollment of pupils other than the pupils identified in  
40 clauses (i) to (iii), inclusive, of subparagraph (A) of paragraph (4)

1 of subdivision (c), shall be excluded from the calculation of the  
2 enrollment percentage of unduplicated pupils.

3 *(F) The data used to determine the percentage of unduplicated*  
4 *pupils shall be final once that data is no longer used in the current*  
5 *fiscal year calculation of the percentage of unduplicated pupils.*  
6 *This subparagraph does not apply to a change that is the result*  
7 *of an audit that has been appealed pursuant to Section 41344.*

8 (2) For purposes of this section, an “unduplicated pupil” is a  
9 pupil who is classified as an English learner, eligible for a free or  
10 reduced-price meal, or a foster youth. For purposes of this section,  
11 the definitions in Section 42238.01 of an English learner, a pupil  
12 eligible for a free or reduced-price meal, and foster youth shall  
13 apply. A pupil shall be counted only once for purposes of this  
14 section if any of the following apply:

15 (A) The pupil is classified as an English learner and is eligible  
16 for a free or reduced-price meal.

17 (B) The pupil is classified as an English learner and is a foster  
18 youth.

19 (C) The pupil is eligible for a free or reduced-price meal and is  
20 classified as a foster youth.

21 (D) The pupil is classified as an English learner, is eligible for  
22 a free or reduced-price meal, and is a foster youth.

23 (3) (A) Under procedures and timeframes established by the  
24 Superintendent, commencing with the 2013–14 fiscal year, a county  
25 superintendent of schools annually shall report the enrollment of  
26 unduplicated pupils, pupils classified as English learners, pupils  
27 eligible for free and reduced-price meals, and foster youth in  
28 schools operated by the county superintendent of schools to the  
29 Superintendent using the California Longitudinal Pupil  
30 Achievement Data System.

31 (B) The Superintendent shall make the calculations pursuant to  
32 this section using the data submitted through the California  
33 Longitudinal Pupil Achievement Data System.

34 (C) The Controller shall include instructions, as appropriate, in  
35 the audit guide required by subdivision (a) of Section 14502.1, for  
36 determining if the data reported by a county superintendent of  
37 schools using the California Longitudinal Pupil Achievement Data  
38 System is consistent with pupil data records maintained by the  
39 county office of education.

1 (c) Compute an alternative education grant equal to the sum of  
2 the following:

3 (1) (A) For the 2013–14 fiscal year, a base grant equal to the  
4 2012–13 per pupil undeficitated statewide average juvenile court  
5 school base revenue limit calculated pursuant to Article 3  
6 (commencing with Section 2550) of Chapter 12, as that article  
7 read on January 1, 2013. *For purposes of this subparagraph, the*  
8 *2012–13 statewide average juvenile court school base revenue*  
9 *limit shall be considered final as of the annual apportionment for*  
10 *the 2012–13 fiscal year, as calculated for purposes of the*  
11 *certification required on or before February 20, 2014, pursuant*  
12 *to Sections 41332 and 41339.*

13 (B) Commencing with the 2013–14 fiscal year, the per pupil  
14 base grant shall be adjusted by the percentage change in the annual  
15 average value of the Implicit Price Deflator for State and Local  
16 Government Purchases of Goods and Services for the United States,  
17 as published by the United States Department of Commerce for  
18 the 12-month period ending in the third quarter of the prior fiscal  
19 year. This percentage change shall be determined using the latest  
20 data available as of May 10 of the preceding fiscal year compared  
21 with the annual average value of the same deflator for the 12-month  
22 period ending in the third quarter of the second preceding fiscal  
23 year, using the latest data available as of May 10 of the preceding  
24 fiscal year, as reported by the Department of Finance.

25 (2) A supplemental grant equal to 35 percent of the base grant  
26 described in paragraph (1) multiplied by the enrollment percentage  
27 calculated in subdivision (b). The supplemental grant shall be  
28 expended in accordance with the regulations adopted pursuant to  
29 Section 42238.07.

30 (3) (A) A concentration grant equal to 35 percent of the base  
31 grant described in paragraph (1) multiplied by the greater of either  
32 of the following:

33 (i) The enrollment percentage calculated in subdivision (b) less  
34 50 percent.

35 (ii) Zero.

36 (B) The concentration grant shall be expended in accordance  
37 with the regulations adopted pursuant to Section 42238.07.

38 (4) (A) Multiply the sum of paragraphs (1), (2), and (3) by the  
39 total number of units of average daily attendance for pupils  
40 attending schools operated by a county office of education,

1 excluding units of average daily attendance for pupils attending  
2 schools or classes established pursuant to Article 2.5 (commencing  
3 with Section 48645) of Chapter 4 of Part 27 of Division 4 of Title  
4 2, who are enrolled pursuant to any of the following:

5 (i) Probation-referred pursuant to Sections 300, 601, 602, and  
6 654 of the Welfare and Institutions Code.

7 (ii) On probation or parole and not in attendance in a school.

8 (iii) Expelled for any of the reasons specified in subdivision (a)  
9 or (c) of Section 48915.

10 (B) Multiply the number of units of average daily attendance  
11 for pupils attending schools or classes established pursuant to  
12 Article 2.5 (commencing with Section 48645) of Chapter 4 of Part  
13 27 of Division 4 of Title 2 by the sum of the base grant calculated  
14 pursuant to paragraph (1), a supplemental grant equal to 35 percent  
15 of the base grant calculated pursuant to paragraph (1), and a  
16 concentration grant equal to 17.5 percent of the base grant  
17 calculated pursuant to paragraph (1). Funds provided for the  
18 supplemental and concentration grants pursuant to this calculation  
19 shall be expended in accordance with the regulations adopted  
20 pursuant to Section 42238.07.

21 (C) Add the amounts calculated in subparagraphs (A) and (B).

22 (d) Add the amount calculated in subdivision (a) to the amount  
23 calculated in subparagraph (C) of paragraph (4) of subdivision (c).

24 (e) Add all of the following to the amount calculated in  
25 subdivision (d):

26 (1) The amount of funding a county superintendent of schools  
27 received for the 2012–13 fiscal year from funds allocated pursuant  
28 to the Targeted Instructional Improvement Block Grant program,  
29 as set forth in Article 6 (commencing with Section 41540) of  
30 Chapter 3.2 of Part 24 of Division 3 of Title 2, as that article read  
31 on January 1, 2013.

32 (2) (A) The amount of funding a county superintendent of  
33 schools received for the 2012–13 fiscal year from funds allocated  
34 pursuant to the Home-to-School Transportation program, as set  
35 forth in Article 2 (commencing with Section 39820) of Chapter 1  
36 of Part 23.5 of Division 3 of Title 2, Article 10 (commencing with  
37 Section 41850) of Chapter 5 of Part 24 of Division 3 of Title 2,  
38 and the Small School District Transportation program, as set forth  
39 in Article 4.5 (commencing with Section 42290) of Chapter 7 of

1 Part 24 of Division 3 of Title 2, as those articles read on January  
2 1, 2013.

3 (B) On or before March 1, 2014, the Legislative Analyst's Office  
4 shall submit recommendations to the fiscal committees of both  
5 houses of the Legislature regarding revisions to the methods of  
6 funding pupil transportation that address historical funding  
7 inequities across county offices of education and school districts  
8 and improve incentives for local educational agencies to provide  
9 efficient and effective pupil transportation services.

10 (3) *The difference determined by subtracting the amount*  
11 *calculated pursuant to paragraph (1) of subdivision (c) for pupils*  
12 *attending a school that is eligible for funding pursuant to*  
13 *paragraph (2) of subdivision (b) of Section 42285 from the amount*  
14 *of funding that is provided to eligible schools pursuant to Section*  
15 *42284, if the difference is positive.*

16 SEC. 10. *Section 2575 of the Education Code is amended to*  
17 *read:*

18 2575. (a) Commencing with the 2013–14 fiscal year and for  
19 each fiscal year thereafter, the Superintendent shall calculate a  
20 base entitlement for the transition to the county local control  
21 funding formula for each county ~~office of education~~ *superintendent*  
22 *of schools* based on the sum of the amounts computed pursuant to  
23 paragraphs (1) to (3), inclusive, *as adjusted pursuant to paragraph*  
24 *(4):*

25 (1) Revenue limits in the 2012–13 fiscal year pursuant to Article  
26 3 (commencing with Section 2550) of Chapter 12, as that article  
27 read on January 1, 2013, adjusted only for changes in average daily  
28 attendance claimed by the county superintendent of schools for  
29 pupils identified in clauses (i), (ii), and (iii) of subparagraph (A)  
30 of paragraph (4) of subdivision (c) of Section 2574 and for pupils  
31 attending juvenile court schools. *For purposes of this paragraph,*  
32 *the calculation of an amount per unit of average daily attendance*  
33 *for pupils attending juvenile court schools shall be considered*  
34 *final for purposes of this section as of the annual apportionment*  
35 *for the 2012–13 fiscal year, as calculated for purposes of the*  
36 *certification required on or before February 20, 2014, pursuant*  
37 *to Sections 41332 and 41339. All other average daily attendance*  
38 *claimed by the county superintendent of schools and any other*  
39 *average daily attendance used for purposes of calculating revenue*  
40 *limits pursuant to Article 3 (commencing with Section 2550) of*

Chapter 12, as that article read on January 1, 2013, shall be considered final for purposes of this section as of the annual apportionment for the 2012–13 fiscal year, as calculated for purposes of the certification required on or before February 20, 2014, pursuant to ~~Section~~ *Sections 41332 and 41339*.

(2) The sum of ~~both~~ *all* of the following:

(A) The amount of funding received from appropriations contained in Section 2.00 of the Budget Act of 2012, as adjusted by Section 12.42, in the following items: 6110-104-0001, 6110-105-0001, 6110-107-0001, 6110-108-0001, 6110-111-0001, 6110-124-0001, 6110-128-0001, 6110-137-0001, 6110-144-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001, 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001, 6110-211-0001, 6110-212-0001, 6110-227-0001, 6110-228-0001, 6110-232-0001, ~~6110-234-0001~~, 6110-240-0001, 6110-242-0001, 6110-243-0001, 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001, 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-266-0001, 6110-267-0001, 6110-268-0001, and 6360-101-0001, 2012–13 fiscal year funding for the Class Size Reduction Program pursuant to Chapter 6.10 (commencing with Section 52120) of Part 28 of Division 4 of Title 2, as that chapter read on January 1, 2013, and 2012–13 fiscal year funding for pupils enrolled in community day schools who are mandatorily expelled pursuant to subdivision (d) of Section 48915. *For purposes of this subparagraph, the 2012–13 fiscal year appropriations described in this subparagraph shall be considered final as of the annual apportionment for the 2012–13 fiscal year, as calculated for purposes of the certification required on or before February 20, 2014, pursuant to Sections 41332 and 41339.*

(B) The amount of local revenues used to support a regional occupational center or program established and maintained by a county superintendent of schools pursuant to Section 52301.

(3) For the 2014–15 fiscal year and for each fiscal year thereafter, the sum of the amounts apportioned to the county ~~office of education~~ *superintendent of schools* pursuant to subdivision (f) in all prior years.

(4) *The revenue limit amount determined pursuant to paragraph (1) shall be increased by the difference determined by subtracting the amount provided per unit of average daily attendance in*

1 *paragraph (1) for pupils attending a school that is eligible for*  
2 *funding pursuant to paragraph (2) of subdivision (b) of Section*  
3 *42285 from the amount of funding that was provided to eligible*  
4 *schools in the 2012–13 fiscal year pursuant to Sections 42284 and*  
5 *42238.146, as those sections read on January 1, 2013.*

6 (b) The Superintendent shall annually compute a county local  
7 control funding formula transition adjustment for each county  
8 superintendent of schools as follows:

9 (1) Subtract the amount computed pursuant to subdivision (a)  
10 from the amount computed pursuant to subdivision (e) of Section  
11 2574. A difference of less than zero shall be deemed to be zero.

12 (2) Divide the difference for each county superintendent of  
13 schools calculated pursuant to paragraph (1) by the total sum of  
14 the differences for all county superintendents of schools calculated  
15 pursuant to paragraph (1).

16 (3) Multiply the proportion calculated for each county ~~office of~~  
17 ~~education~~ *superintendent of schools* pursuant to paragraph (2) by  
18 the amount of funding specifically appropriated for purposes of  
19 subdivision (f). The amount calculated shall not exceed the  
20 difference for the county superintendent of schools calculated  
21 pursuant to paragraph (1).

22 (c) The Superintendent shall subtract from the amount calculated  
23 pursuant to subdivision (a) the sum of each of the following:

24 (1) Local property tax revenues received pursuant to Section  
25 2573 in the then current fiscal year.

26 (2) Any amounts that the county superintendent of schools was  
27 required to maintain as restricted and not available for expenditure  
28 in the 1978–79 fiscal year as specified in the second paragraph of  
29 subdivision (c) of Section 6 of Chapter 292 of the Statutes of 1978,  
30 as amended by Chapter 51 of the Statutes of 1979.

31 (3) The amount received pursuant to subparagraph (C) of  
32 paragraph (3) of subdivision (a) of Section 33607.5 of the Health  
33 and Safety Code that is considered property taxes pursuant to that  
34 section.

35 (4) The amount, if any, received pursuant to Sections 34177,  
36 34179.5, 34179.6, 34183, and 34188 of the Health and Safety  
37 Code.

38 (5) The amount, if any, received pursuant to subparagraph (B)  
39 of paragraph (3) of subdivision (e) of Section 36 of Article XIII  
40 of the California Constitution.



(d) The Superintendent shall subtract from the amount computed pursuant to subdivision (e) of Section 2574 the sum of the amounts computed pursuant to paragraphs (1) to (5), inclusive, of subdivision (c).

(e) The Superintendent shall annually apportion to each county superintendent of schools the amount calculated pursuant to subdivision (c) unless the amount computed pursuant to subdivision (c) is negative. If the amount computed is negative, except as provided in subdivision (f), an amount of property tax of the county superintendent of schools equal to the negative amount shall be deemed restricted and not available for expenditure during the fiscal year. In the following fiscal year, that amount, excluding any amount of funds used for purposes of subdivision (f), shall be considered restricted local property tax revenue for purposes of subdivision (a) of Section 2578. State aid shall not be apportioned to the county superintendent of schools pursuant to this subdivision if the amount computed pursuant to subdivision (c) is negative.

(f) (1) The Superintendent shall apportion, from an appropriation specifically made for this purpose, the amount computed pursuant to subdivision (b), or, if the amount computed pursuant to subdivision (c) is negative, the sum of the amounts computed pursuant to subdivisions (b) and (c) if the sum is greater than zero.

(2) The Superintendent shall apportion any portion of the appropriation made for purposes of paragraph (1) that is not apportioned pursuant to paragraph (1) pursuant to the following calculation:

(A) Add the amount calculated pursuant to subdivision (b) to the amount computed pursuant to subdivision (a) for a county superintendent of schools.

(B) Subtract the amount computed pursuant to subparagraph (A) from the amount computed pursuant to subdivision (e) of Section 2574 for the county superintendent of schools.

(C) Divide the difference for the county superintendent of schools computed pursuant to subparagraph (B) by the sum of the differences for all county superintendents of schools computed pursuant to subparagraph (B).

(D) Multiply the proportion computed pursuant to subparagraph (C) by the unapportioned balance in the appropriation. *That product*

1 *shall be the county superintendent of schools' proportion of total*  
2 *need.*

3 (E) Apportion to each county superintendent of schools the  
4 amount calculated pursuant to subparagraph (D), or if subdivision  
5 (c) is negative, apportion the sums of subdivisions (b) and (c) and  
6 subparagraph (D) of this subdivision if the sum is greater than  
7 zero.

8 (F) The Superintendent shall repeat the computation made  
9 pursuant to this paragraph, accounting for any additional amounts  
10 apportioned after each computation, until the appropriation made  
11 for purposes of paragraph (1) is fully apportioned.

12 (G) The total amount apportioned pursuant to this subdivision  
13 to a county superintendent of schools shall not exceed the  
14 difference for the county superintendent of schools calculated  
15 pursuant to paragraph (1) of subdivision (b).

16 (H) *For purposes of this paragraph, the proportion of need that*  
17 *is funded from any appropriation made specifically for purposes*  
18 *of this subdivision in the then current fiscal year shall be*  
19 *considered fixed as of the second principal apportionment for that*  
20 *fiscal year. Adjustments to a county superintendent of schools'*  
21 *total need computed pursuant to subparagraph (D) after the second*  
22 *principal apportionment for the then current fiscal year shall be*  
23 *funded based on the fixed proportion of need that is funded for*  
24 *that fiscal year pursuant to this subdivision, and shall be*  
25 *continuously appropriated pursuant to Section 14002.*

26 (g) (1) For a county superintendent of schools for whom, in the  
27 2013–14 fiscal year, the amount computed pursuant to subdivision  
28 (c) is less than the amount computed pursuant to subdivision (d),  
29 in the first fiscal year following the fiscal year in which the sum  
30 of the apportionments computed pursuant to subdivisions (e) and  
31 (f) is equal to, or greater than, the amount computed pursuant to  
32 subdivision (d) of this section, the Superintendent shall apportion  
33 to the county superintendent of schools the amount computed in  
34 subdivision (d) in that fiscal year and each fiscal year thereafter  
35 instead of the amounts computed pursuant to subdivisions (e) and  
36 (f).

37 (2) For a county superintendent of schools for whom, in the  
38 2013–14 fiscal year, the amount computed pursuant to subdivision  
39 (c) is greater than the amount computed pursuant to subdivision  
40 (d), in the first fiscal year in which the amount computed pursuant

1 to subdivision (c) would be less than the amount computed pursuant  
2 to subdivision (d), the Superintendent shall apportion to the county  
3 superintendent of schools the amount computed in subdivision (d)  
4 in that fiscal year and each fiscal year thereafter instead of the  
5 amounts computed pursuant to subdivisions (e) and (f).

6 (3) In each fiscal year, the Superintendent shall determine the  
7 percentage of county superintendents of schools that are  
8 apportioned funding that is less than the amount computed pursuant  
9 to subdivision (d), as of the second principal apportionment of the  
10 fiscal year. If the percentage is less than 10 percent, the  
11 Superintendent shall apportion to those county superintendents of  
12 schools funding equal to the amount computed in subdivision (d)  
13 in that fiscal year and for each fiscal year thereafter instead of the  
14 amounts calculated pursuant to subdivisions (e) and (f).

15 (4) Commencing with the first fiscal year after the  
16 apportionments in paragraph (3) are made, the adjustments in  
17 paragraph (4) of subdivision (a) of Section 2574 and subparagraph  
18 (B) of paragraph (1) of subdivision (c) of Section 2574 shall be  
19 made only if an appropriation for those purposes is included in the  
20 annual Budget Act.

21 (5) If the calculation pursuant to subdivision (d) is negative and  
22 the Superintendent apportions to a county superintendent of schools  
23 the amount computed pursuant to subdivision (d) pursuant to  
24 paragraph (1), (2), or (3) of this subdivision, an amount of property  
25 tax of the county superintendent of schools equal to the negative  
26 amount shall be deemed restricted and not available for expenditure  
27 during that fiscal year. In the following fiscal year the restricted  
28 amount shall be considered restricted local property tax revenue  
29 for purposes of subdivision (a) of Section 2578.

30 (h) Commencing with the 2013–14 fiscal year, the  
31 Superintendent shall apportion to a county superintendent of  
32 schools an amount of state aid, including any amount apportioned  
33 pursuant to subdivisions (f) and (g), that is no less than the amount  
34 calculated in subparagraph (A) of paragraph (2) of subdivision (a).

35 (i) (1) For the 2013–14 and 2014–15 fiscal years only, a county  
36 superintendent of schools who, in the 2012–13 fiscal year, from  
37 any of the funding sources identified in paragraph (1) or (2) of  
38 subdivision (a), received funds on behalf of, or provided funds to,  
39 a regional occupational center or program joint powers agency  
40 established in accordance with Article 1 (commencing with Section

6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing instruction to pupils enrolled in grades 9 to 12, inclusive, shall not redirect that funding for another purpose unless otherwise authorized ~~in~~ by law or pursuant to an agreement between the regional occupational center or program joint powers agency and the contracting county superintendent of schools.

(2) For the 2013–14 and 2014–15 fiscal years only, if a regional occupational center or program joint powers agency established in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing instruction to pupils enrolled in grades 9 to 12, inclusive, received, in the 2012–13 fiscal year, an apportionment of funds directly from any of the funding sources identified in subparagraph (A) of paragraph (2) of subdivision (a), the Superintendent shall apportion that same amount to the regional occupational center or program joint powers agency.

(j) For the 2013–14 and 2014–15 fiscal years only, a county superintendent of schools who, in the 2012–13 fiscal year, from any of the funding sources identified in paragraph (1) or (2) of subdivision (a), received funds on behalf of, or provided funds to, a home-to-school transportation joint powers agency established in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing pupil transportation shall not redirect that funding for another purpose unless otherwise authorized ~~in~~ by law or pursuant to an agreement between the home-to-school transportation joint powers agency and the contracting county superintendent of schools.

(k) (1) In addition to subdivision (j), of the funds a county superintendent of schools receives for home-to-school transportation programs, the county superintendent of schools shall expend, pursuant to Article 2 (commencing with Section 39820) of Chapter 1 of Part 23.5 of Division 3 of Title 2, Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of Division 3 of Title 2, and the Small School District Transportation program, as set forth in Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of Division 3 of Title 2, no less for those programs than the amount of funds the county superintendent

1 of schools expended for home-to-school transportation in the  
2 2012–13 fiscal year.

3 (2) For the 2013–14 and 2014–15 fiscal years only, if a  
4 home-to-school transportation joint powers agency established in  
5 accordance with Article 1 (commencing with Section 6500) of  
6 Chapter 5 of Division 7 of Title 1 of the Government Code for  
7 purposes of providing pupil transportation received, in the 2012–13  
8 fiscal year, an apportionment of funds directly from the  
9 Superintendent from any of the funding sources identified in  
10 subparagraph (A) of paragraph (2) of subdivision (a), the  
11 Superintendent shall apportion that same amount to the  
12 home-to-school transportation joint powers agency.

13 (3) For the 2013–14 and 2014–15 fiscal years only, of the funds  
14 a county superintendent of schools receives for purposes of regional  
15 occupational centers or programs, or adult education, the county  
16 superintendent of schools shall expend no less for each of those  
17 programs than the amount of funds the county superintendent of  
18 schools expended for purposes of regional occupational centers  
19 or programs, or adult education, respectively, in the 2012–13 fiscal  
20 year. For purposes of this paragraph, a county ~~office of education~~  
21 *superintendent of schools* may include expenditures made by a  
22 school district within the county for purposes of regional  
23 occupational centers or programs so long as the total amount of  
24 expenditures made by the school districts and the county ~~office of~~  
25 ~~education equal or exceed~~ *superintendent of schools equals or*  
26 *exceeds* the total amount required to be expended for purposes of  
27 regional occupational centers or programs pursuant to this  
28 paragraph and paragraph (7) of subdivision (a) of Section 42238.03.

29 (l) The funds apportioned pursuant to this section and Section  
30 2574 shall be available to implement the activities required  
31 pursuant to Article 4.5 (commencing with Section 52060) of  
32 Chapter 6.1 of Part 28 of Division 4 of Title 2.

33 *SEC. 11. Section 2576 of the Education Code is amended to*  
34 *read:*

35 2576. (a) If a county superintendent of schools enrolls in a  
36 school operated by the county superintendent of schools a pupil  
37 not funded pursuant to clause (i), (ii), or (iii) of subparagraph (A)  
38 of paragraph (4) of subdivision (c) of Section 2574, or Article 2.5  
39 (commencing with Section 48645) of Chapter 4 of Part 27 of  
40 Division 4 of Title 2, any attendance generated by that pupil shall

1 be credited to the school district of residence. Enrollment of these  
2 pupils shall be transferred to the school district of residence for  
3 purposes of calculating the percentage of unduplicated pupils  
4 pursuant to Section 42238.02.

5 (b) For purposes of this section, the school district of residence  
6 for a homeless child, as defined in Section 1981.2, enrolled in a  
7 school operated by a county superintendent of schools shall be  
8 deemed to be the school district that last provided educational  
9 services to ~~that the homeless child~~ or, if it is not possible to  
10 determine that school district, ~~the largest school district in the~~  
11 ~~county. nonbasic aid school district with the largest average daily~~  
12 ~~attendance in the county that serves the grade level in which the~~  
13 ~~homeless child would be enrolled.~~

14 (c) *If a county superintendent of schools grants permission to*  
15 *a pupil to attend school in an adjoining state pursuant to Section*  
16 *2000, attendance generated by that pupil shall be credited to the*  
17 *school district of residence.*

18 SEC. 12. *Section 2578 of the Education Code is amended to*  
19 *read:*

20 2578. (a) Every fiscal year the Superintendent shall determine  
21 the amount of funds that will be restricted for each county  
22 superintendent of schools pursuant to subdivisions (e) and (g) of  
23 Section 2575, as of June 30 of the prior fiscal year.

24 (b) The auditor-controller of each county shall distribute the  
25 amounts determined in subdivision (a) to the Supplemental  
26 Revenue Augmentation Fund created within the county pursuant  
27 to Section 100.06 of the Revenue and Taxation Code. The amount  
28 of funds required to be transferred by this subdivision shall be  
29 transferred annually in two equal shares with the first share  
30 transferred on or before January 15 of each year and the second  
31 share transferred after January 15 and on or before May 1 of each  
32 year.

33 (c) The funds transferred to the Supplemental Revenue  
34 Augmentation Fund ~~for purposes of pursuant to~~ this section shall  
35 be transferred by the county office of education to the  
36 ~~auditor-controller of the county~~ *Controller in amounts determined*  
37 *by the Director of Finance*, and shall be exclusively used to offset  
38 state costs of providing trial court services and costs, until the  
39 funds are exhausted.

SEC. 13. Section 37700 of the Education Code is amended to read:

37700. (a) Notwithstanding any other law, the Pacific Unified School District, the Leggett Valley Unified School District, and the Reeds Creek Elementary School District may operate one or more schools in their respective *school* districts on a four-day school week, if the *school* district complies with the instructional time requirements specified in Section 37701 and the other requirements of this chapter.

(b) If a school district operates one or more schools on a four-day week pursuant to this section and the program for the school year provides less than the 180 days of instruction required under Section 46200, as it read on January 1, 2013, the Superintendent shall reduce the local control funding formula ~~allocation grant apportionment~~ pursuant to Section 42238.02, as implemented pursuant to Section 42238.03, ~~per unit of average daily attendance for that fiscal year by the amount the school district would have received for the increase received pursuant to subdivision (a) of Section 46200, as it read on January 1, 2013, as adjusted in fiscal years subsequent to the 1984–85 fiscal year. for the average daily attendance of each affected grade level, by 0.0056 multiplied by that apportionment for each day less than what was required by subdivision (a) of this section, as this section read on January 1, 2013, up to a maximum of five days.~~ If a school district operates one or more schools on a four-day school week pursuant to this section and the program provides less than the minimum instructional minutes required under Section 46201, as it read on January 1, 2013, the Superintendent shall reduce the local control funding formula ~~allocation pursuant to Section 42238.02, as implemented pursuant to Section 42238.03, per unit of average daily attendance for that fiscal year in which the reduction occurs by the amount the school district would have received for the increase in the 1987–88 fiscal year base revenue limit per unit of average daily attendance pursuant to paragraph (6) of subdivision (b) of Section 42238, as it read on January 1, 2013, as adjusted from the 1987–88 fiscal year to the 2012–13 fiscal year, inclusive, and, commencing with the 2013–14 fiscal year, pursuant to the local control funding formula allocation pursuant to Section 42238.02, as implemented pursuant to Section 42238.03, per unit of average daily attendance.~~ *grant*

1 *apportionment pursuant to Section 42238.02, as implemented*  
2 *pursuant to Section 42238.03, for the average daily attendance of*  
3 *each affected grade level, by the amount of that apportionment*  
4 *multiplied by the percentage of the minimum required minutes at*  
5 *that grade level that the school district failed to offer.*

6 (c) A school district with an exclusive bargaining representative  
7 may operate a school on a four-day school week pursuant to this  
8 section only if the school district and the representative of each  
9 bargaining unit of school district employees mutually agree to that  
10 operation in a memorandum of understanding.

11 (d) Notwithstanding ~~this section~~, subdivisions (a), (b), and (c),  
12 upon a determination that a school district identified in subdivision  
13 (a) equals or exceeds its local control funding formula target  
14 computed pursuant to Section 42238.02 as determined by the  
15 calculation of a zero difference pursuant to paragraph (1) of  
16 subdivision (b) of Section 42238.03, the school district, as a  
17 condition of apportionment pursuant to Section 42238.02, as  
18 implemented pursuant to Section 42238.03, shall offer 180 days  
19 or more of instruction per school year, and meet the minimum  
20 minute requirements pursuant to paragraph (1) of subdivision (a)  
21 of Section 46207.

22 *SEC. 14. Section 37710.3 of the Education Code is amended*  
23 *to read:*

24 37710.3. (a) Beginning in the 2010–11 fiscal year, the Alpaugh  
25 Unified School District may operate one or more schools in the  
26 school district on a four-day school week if the *school* district  
27 complies with the instructional time requirements in Section 37701  
28 and the other requirements of this chapter. The state board may  
29 waive five-consecutive-day operating requirements for any of the  
30 following programs that operate on a four-day school week  
31 pursuant to this section, provided that the *school* district meets the  
32 minimum time requirement for each program:

- 33 (1) Preschools.
- 34 (2) Before and after school programs.
- 35 (3) Independent study programs.
- 36 (4) Child nutrition and food service programs.
- 37 (5) Community day schools.
- 38 (6) Regional occupational centers or programs.
- 39 (7) Continuation high schools.



(b) If the school district operates one or more schools on a four-day school week pursuant to this section, and the program for the school year provides fewer than the 180 days of instruction required under Section 46200, as it read on January 1, 2013, the Superintendent shall reduce the local control funding formula ~~allocation~~ *grant apportionment* pursuant to Section 42238.02, as implemented pursuant to Section 42238.03, ~~per unit of average daily attendance for that fiscal year by the amount the school district would have received for the increase received pursuant to subdivision (a) of Section 46200, as it read on January 1, 2013, as adjusted in fiscal years subsequent to the 1984–85 fiscal year. for the average daily attendance of each affected grade level, by 0.0056 multiplied by that apportionment for each day less than what was required in subdivision (a) of this section, as this section read on January 1, 2013, up to a maximum of five days.~~ If the school district operates one or more schools on a four-day school week pursuant to this section, and the program provides fewer than the minimum instructional minutes required under Section 46201, as it read on January 1, 2013, the Superintendent shall reduce the local control funding formula ~~allocation pursuant to Section 42238.02, as implemented pursuant to Section 42238.03, per unit of average daily attendance for that fiscal year in which the reduction occurs by the amount the school district would have received for the increase in the base revenue limit per unit of average daily attendance pursuant to subdivision (a) of Section 46201, as it read on January 1, 2013, as adjusted from the 1987–88 fiscal year to the 2012–13 fiscal year, inclusive, and, commencing with the 2013–14 fiscal year, pursuant to the local control funding formula allocation pursuant to Section 42238.02, as implemented pursuant to Section 42238.03, per unit of average daily attendance.~~ *grant apportionment pursuant to Section 42238.02, as implemented by Section 42238.03, for the average daily attendance of each affected grade level, by the amount of that apportionment multiplied by the percentage of the minimum required minutes at that grade level that the school district failed to offer.*

(c) Notwithstanding Section 37710, if a small school having between 11 and 99 valid ~~Standardized Testing and Reporting Program~~ *California Assessment of Student Performance and Progress* test scores operating on a four-day school week fails to achieve its Academic Performance Index growth target pursuant

1 to Section 52052 for two consecutive years, the authority of that  
2 school to operate on a four-day school week shall be permanently  
3 revoked commencing with the school year following the second  
4 consecutive year the school failed to achieve its Academic  
5 Performance Index growth rate.

6 (d) If the school district operates one or more schools on a  
7 four-day school week pursuant to this section, the school district  
8 shall submit a report to the department, the Senate Committee on  
9 Education, and the Assembly Committee on Education on or before  
10 January 15, 2015. The report shall include, but not necessarily be  
11 limited to, information on all of the following:

12 (1) Programs the *school* district offered on the fifth schoolday  
13 and their participation rates.

14 (2) Whether the four-day school week schedule resulted in any  
15 fiscal savings.

16 (3) Impact on overall attendance of the schools operating a  
17 four-day school week.

18 (4) Programs for which the state board waived minimum time  
19 and five-consecutive-day requirements and the operational and  
20 educational effects of the programs if they operated at less time  
21 than required.

22 (5) The impact of the four-day school week on crime statistics,  
23 especially on the day on which school would otherwise be in  
24 session.

25 (6) Information on the Academic Performance Index, pursuant  
26 to Section 52052, for every year a school in the *school* district  
27 operated on a four-day school week. The information shall include,  
28 but not necessarily be limited to, the base and growth Academic  
29 Performance Index of each school that operated on a four-day  
30 school week and whether that school met the Academic  
31 Performance growth targets.

32 (e) Notwithstanding ~~this section~~, *subdivisions (a) to (d),*  
33 *inclusive*, upon a determination that the school district identified  
34 in subdivision (a) equals or exceeds its local control funding  
35 formula target computed pursuant to Section 42238.02 as  
36 determined by the calculation of a zero difference pursuant to  
37 paragraph (1) of subdivision (b) of Section 42238.03, the school  
38 district, as a condition of apportionment pursuant to Section  
39 42238.02, as implemented pursuant to Section 42238.03, shall  
40 offer 180 days or more of instruction per school year, and meet

1 the minimum minute requirements pursuant to paragraph (1) of  
2 subdivision (a) of Section 46207.

3 (f) This section shall remain in effect only until January 1, 2016,  
4 and as of that date is repealed, unless a later enacted statute, that  
5 is enacted before January 1, 2016, deletes or extends that date.

6 *SEC. 15. Section 37710.5 of the Education Code is amended*  
7 *to read:*

8 37710.5. (a) Beginning in the 2009–10 fiscal year, the Potter  
9 Valley Community Unified School District may operate one or  
10 more schools in the school district on a four-day school week if  
11 the school district complies with the instructional time requirements  
12 specified in Section 37701 and the other requirements of this  
13 chapter. The state board may waive five-consecutive-day operating  
14 requirements for any of the following programs that operate on a  
15 four-day week pursuant to this section, provided that the school  
16 district meets the minimum time requirement for each program:

- 17 (1) Preschools.
- 18 (2) Before and after school programs.
- 19 (3) Independent study programs.
- 20 (4) Child nutrition and food service programs.
- 21 (5) Community day schools.
- 22 (6) Regional occupational centers or programs.
- 23 (7) Continuation high schools.

24 (b) If the school district operates one or more schools on a  
25 four-day week pursuant to this section, and the program for the  
26 school year provides fewer than the 180 days of instruction required  
27 under Section 46200, as it read on January 1, 2013, the  
28 Superintendent shall reduce the local control funding formula  
29 ~~allocation grant apportionment~~ pursuant to Section 42238.02, as  
30 implemented pursuant to Section 42238.03, ~~per unit of average~~  
31 ~~daily attendance for that fiscal year by the amount the school~~  
32 ~~district would have received for the increase received pursuant to~~  
33 ~~subdivision (a) of Section 46200, as it read on January 1, 2013, as~~  
34 ~~adjusted in fiscal years subsequent to the 1984–85 fiscal year. for~~  
35 ~~the average daily attendance of each affected grade level, by~~  
36 ~~0.0056 multiplied by that apportionment for each day less than~~  
37 ~~what was required in subdivision (a) of this section, as this section~~  
38 ~~read on January 1, 2013, up to a maximum of five days.~~ If the  
39 school district operates one or more schools on a four-day school  
40 week pursuant to this section, and the program provides fewer than

1 the minimum instructional minutes required under Section 46201,  
2 as it read on January 1, 2013, the Superintendent shall reduce the  
3 local control funding formula—allocation pursuant to Section  
4 42238.02, as implemented pursuant to Section 42238.03, per unit  
5 of average daily attendance for that fiscal year in which the  
6 reduction occurs by the amount the school district would have  
7 received for the increase in the base revenue limit per unit of  
8 average daily attendance pursuant to subdivision (a) of Section  
9 46201, as it read on January 1, 2013, as adjusted from the 1987–88  
10 fiscal year to the 2012–13 fiscal year, inclusive, and, commencing  
11 with the 2013–14 fiscal year, pursuant to Section 42238.02, as  
12 implemented pursuant to Section 42238.03, per unit of average  
13 daily attendance: *grant apportionment pursuant to Section*  
14 *42238.02, as implemented by Section 42238.03, for the average*  
15 *daily attendance of each affected grade level, by the amount of*  
16 *that apportionment multiplied by the percentage of the minimum*  
17 *required minutes at that grade level that the school district failed*  
18 *to offer.*

19 (c) If the school district operates one or more schools on a  
20 four-day school week pursuant to this section, the school district  
21 shall submit a report to the department, the Senate Committee on  
22 Education and the Assembly Committee on Education on January  
23 15, 2014. The report shall include, but not necessarily be limited  
24 to, information on the following:

25 (1) Programs the *school* district offered on the fifth day and  
26 their participation rates.

27 (2) Whether the four-day school week schedule resulted in any  
28 fiscal savings.

29 (3) Impact on overall attendance of the schools operating a  
30 four-day school week.

31 (4) Programs for which the Superintendent waived minimum  
32 time and five-consecutive-day requirements and the operational  
33 and educational effect of the programs if they operated at less time  
34 than required.

35 (d) Notwithstanding this section, *subdivisions (a), (b), and (c),*  
36 upon a determination that the school district identified in  
37 subdivision (a) equals or exceeds its local control funding formula  
38 target computed pursuant to Section 42238.02 as determined by  
39 the calculation of a zero difference pursuant to paragraph (1) of  
40 subdivision (b) of Section 42238.03, the school district, as a

1 condition of apportionment pursuant to Section 42238.02, as  
2 implemented pursuant to Section 42238.03, shall offer 180 days  
3 or more of instruction per school year, and meet the minimum  
4 minute requirements pursuant to paragraph (1) of subdivision (a)  
5 of Section 46207.

6 (e) This section shall remain in effect only until January 1, 2015,  
7 and as of that date is repealed, unless a later enacted statute, that  
8 is enacted before January 1, 2015, deletes or extends that date.

9 *SEC. 16. Section 37712 of the Education Code is amended to*  
10 *read:*

11 37712. (a) Beginning in the 2013–14 fiscal year, the Moorpark  
12 Unified School District may operate one or more high schools  
13 offering a middle college program in the school district on a  
14 four-day school week, if the school district complies with the  
15 instructional time requirements specified in Section 37701 and the  
16 other requirements of this chapter. The state board may waive the  
17 five-consecutive-day operating requirements for a middle college  
18 program that operates on a four-day school week pursuant to this  
19 section, provided that the school district meets the minimum time  
20 requirement for the middle college program.

21 (b) If the school district operates one or more schools on a  
22 four-day school week pursuant to this section, and the program  
23 for the school year provides fewer than the 180 days of instruction  
24 required under Section 46200, as it read on January 1, 2013, the  
25 Superintendent shall reduce the local control funding formula  
26 ~~allocation grant apportionment~~ pursuant to Section 42238.02, as  
27 implemented pursuant to Section 42238.03, ~~per unit of average~~  
28 ~~daily attendance for that fiscal year by the amount the school~~  
29 ~~district would have received for the increase received pursuant to~~  
30 ~~subdivision (a) of Section 46200, as it read on January 1, 2013, as~~  
31 ~~adjusted in fiscal years subsequent to the 1984–85 fiscal year. for~~  
32 ~~the average daily attendance of each affected grade level, by~~  
33 ~~0.0056 multiplied by that apportionment for each day less than~~  
34 ~~what was required in subdivision (a) of this section, as this section~~  
35 ~~read on January 1, 2013, up to a maximum of five days.~~ If the  
36 school district operates one or more schools on a four-day school  
37 week pursuant to this section, and the program provides fewer than  
38 the minimum instructional minutes required under Section 46201,  
39 as it read on January 1, 2013, the Superintendent shall reduce the  
40 local control funding ~~formula allocation~~ pursuant to Section

1 42238.02, as implemented pursuant to Section 42238.03, per unit  
2 of average daily attendance for that fiscal year in which the  
3 reduction occurs by the amount the school district would have  
4 received for the increase in the base revenue limit per unit of  
5 average daily attendance pursuant to subdivision (a) of Section  
6 46201, as it read on January 1, 2013, as adjusted from the 1987–88  
7 fiscal year to the 2012–13 fiscal year, inclusive, and, commencing  
8 with the 2013–14 fiscal year, pursuant to the local control funding  
9 formula allocation pursuant to Section 42238.02, as implemented  
10 pursuant to Section 42238.03, per unit of average daily attendance.  
11 *grant apportionment pursuant to Section 42238.02, as implemented*  
12 *by Section 42238.03, for the average daily attendance of each*  
13 *affected grade level, by the amount of that apportionment*  
14 *multiplied by the percentage of the minimum required minutes at*  
15 *that grade level that the school district failed to offer.*

16 (c) Notwithstanding Section 37710, if a small school having  
17 between 11 and 99 valid ~~Standardized Testing and Reporting~~  
18 ~~Program~~ *California Assessment of Student Performance and*  
19 *Progress* test scores operating on a four-day school week fails to  
20 achieve its Academic Performance Index growth target pursuant  
21 to Section 52052 for two consecutive years, the authority of that  
22 school to operate on a four-day school week shall be permanently  
23 revoked commencing with the school year following the second  
24 consecutive year the school failed to achieve its Academic  
25 Performance Index growth rate.

26 (d) If the school district operates one or more schools on a  
27 four-day school week pursuant to this section, the school district  
28 shall submit a report to the department, the Senate Committee on  
29 Education, and the Assembly Committee on Education on or before  
30 January 15, 2018. The report shall include, but not necessarily be  
31 limited to, information on all of the following:

32 (1) Programs the school district offered on the fifth schoolday  
33 and their participation rates.

34 (2) If the four-day school week schedule resulted in fiscal  
35 savings.

36 (3) Impact on overall attendance of the schools operating a  
37 four-day school week.

38 (4) Programs for which the state board waived minimum time  
39 and five-consecutive-day requirements and the operational and

1 educational effects of the programs if they operated at less time  
2 than required.

3 (5) The impact of the four-day school week on crime statistics,  
4 especially on the day on which school would otherwise be in  
5 session.

6 (6) Information on the Academic Performance Index, pursuant  
7 to Section 52052, for every year a school in the school district  
8 operated on a four-day school week. The information shall include,  
9 but not necessarily be limited to, the base and growth Academic  
10 Performance Index of each school that operated on a four-day  
11 school week and whether that school met the Academic  
12 Performance Index growth targets.

13 (7) Specific outcomes for pupils attending a school operating  
14 on a four-day school week including, but not limited to, attendance  
15 rates, graduation rates, college entrance and attendance rates, and  
16 employment rates of pupils who do not attend college.

17 (e) The Moorpark Unified School District operating one or more  
18 schools on a four-day school week pursuant to this section may  
19 claim a day of attendance for the pupils enrolled in a school  
20 operating on a four-day school week pursuant to Sections 11300,  
21 11301, and 46146.5.

22 (f) Notwithstanding ~~this section~~, subdivisions (a) to (e),  
23 inclusive, upon a determination that the school district identified  
24 in subdivision (a) equals or exceeds its local control funding  
25 formula target computed pursuant to Section 42238.02, as  
26 determined by the calculation of a zero difference pursuant to  
27 paragraph (1) of subdivision (b) of Section 42238.03, the school  
28 district, as a condition of apportionment pursuant to Section  
29 42238.02, as implemented pursuant to Section 42238.03, shall  
30 offer 180 days or more of instruction per year, and shall meet the  
31 minimum minute requirements pursuant to paragraph (4) of  
32 subdivision (a) of Section 46207.

33 (g) This section shall become inoperative on June 30, 2018,  
34 and, as of January 1, 2019, is repealed, unless a later enacted  
35 statute, that becomes operative on or before January 1, 2019,  
36 deletes or extends the dates on which it becomes inoperative and  
37 is repealed.

38 *SEC. 17. Section 41376.1 is added to the Education Code, to*  
39 *read:*

1     41376.1. (a) Commencing with the 2013–14 fiscal year, until  
2     the Superintendent determines that a school district is funded  
3     pursuant to Section 42238.02 in the prior fiscal year, and  
4     notwithstanding the requirement to decrease average daily  
5     attendance pursuant to subdivisions (d), (e), and (f) of Section  
6     41376 and subdivision (e) of Section 41378, the Superintendent  
7     shall compute a reduction to the school district local control  
8     funding formula entitlement pursuant to Section 42238.02, as  
9     implemented by Section 42238.03, for the specified school year  
10    by the sum of the following:

11    (1) (A) Multiply the sum of the products obtained in subdivision  
12    (e) of Section 41378 and subdivision (d) of Section 41376 by the  
13    grade span adjusted base grant specified in subparagraph (A) of  
14    paragraph (1) of subdivision (d) of Section 42238.02, as annually  
15    adjusted for cost of living pursuant to paragraph (2) of subdivision  
16    (d) of Section 42238.02.

17    (B) Multiply the product obtained in subparagraph (A) by the  
18    sum of the entitlements computed pursuant to paragraphs (1) to  
19    (4), inclusive, of subdivision (a) of Section 42238.03 and paragraph  
20    (3) of subdivision (b) of Section 42238.03 for all school districts,  
21    divided by the sum of the local control funding formula entitlements  
22    computed pursuant to Section 42238.02 for all school districts.

23    (2) (A) Multiply the product obtained pursuant to subdivision  
24    (e) of Section 41376 by the funded average daily attendance for  
25    grades 4 to 6, inclusive, reported by the school district pursuant  
26    to Section 42238.05 for the specified school year divided by the  
27    funded average daily attendance for grades 4 to 8, inclusive,  
28    reported by the school district pursuant to Section 42238.05 for  
29    the specified school year.

30    (B) Multiply the product obtained in subparagraph (A) by the  
31    grade span adjusted base grant specified in subparagraph (B) of  
32    paragraph (1) of subdivision (d) of Section 42238.02, as annually  
33    adjusted for cost of living pursuant to paragraph (2) of subdivision  
34    (d) of Section 42238.02.

35    (C) Multiply the product obtained in subparagraph (B) by the  
36    sum of the entitlements computed pursuant to paragraphs (1) to  
37    (4), inclusive, of subdivision (a) of Section 42238.03 and paragraph  
38    (3) of subdivision (b) of Section 42238.03 for all school districts,  
39    divided by the sum of the local control funding formula entitlements  
40    computed pursuant to Section 42238.02 for all school districts.



1     (3) (A) Multiply the product obtained pursuant to subdivision  
2     (e) of Section 41376 by the funded average daily attendance for  
3     grades 7 and 8 reported by the school district pursuant to Section  
4     42238.05 for the specified school year divided by the funded  
5     average daily attendance for grades 4 to 8, inclusive, reported by  
6     the school district pursuant to Section 42238.05 for the specified  
7     school year.

8     (B) Multiply the product obtained in subparagraph (A) by the  
9     grade span adjusted base grant specified in subparagraph (C) of  
10    paragraph (1) of subdivision (d) of Section 42238.02, as annually  
11    adjusted for cost of living pursuant to paragraph (2) of subdivision  
12    (d) of Section 42238.02.

13    (C) Multiply the product obtained in subparagraph (B) by the  
14    sum of the entitlements computed pursuant to paragraphs (1) to  
15    (4), inclusive, of subdivision (a) of Section 42238.03 and paragraph  
16    (3) of subdivision (b) of Section 42238.03 for all school districts,  
17    divided by the sum of the local control funding formula entitlements  
18    computed pursuant to Section 42238.02 for all school districts.

19    (b) Commencing with the 2013–14 fiscal year, if the  
20    Superintendent determines that a school district is funded pursuant  
21    to Section 42238.02 in the prior fiscal year, and notwithstanding  
22    the requirement to decrease average daily attendance pursuant to  
23    subdivisions (d), (e), and (f) of Section 41376 and subdivision (e)  
24    of Section 41378, the Superintendent shall compute a reduction  
25    to the school district local control funding formula entitlement  
26    pursuant to Section 42238.02 for the specified school year by the  
27    sum of the following:

28    (1) Multiply the sum of the products obtained in subdivision (e)  
29    of Section 41378 and subdivision (d) of Section 41376 by the grade  
30    span adjusted base grant specified in subparagraph (A) of  
31    paragraph (1) of subdivision (d) of Section 42238.02, as annually  
32    adjusted for cost of living pursuant to paragraph (2) of subdivision  
33    (d) of Section 42238.02.

34    (2) (A) Multiply the product obtained pursuant to subdivision  
35    (e) of Section 41376 by the funded average daily attendance for  
36    grades 4 to 6, inclusive, reported by the school district pursuant  
37    to Section 42238.05 for the specified school year divided by the  
38    funded average daily attendance for grades 4 to 8, inclusive,  
39    reported by the school district pursuant to Section 42238.05 for  
40    the specified school year.

1     (B) Multiply the product obtained in subparagraph (A) by the  
2     grade span adjusted base grant specified in subparagraph (B) of  
3     paragraph (1) of subdivision (d) of Section 42238.02, as annually  
4     adjusted for cost of living pursuant to paragraph (2) of subdivision  
5     (d) of Section 42238.02.

6     (3) (A) Multiply the product obtained pursuant to subdivision  
7     (e) of Section 41376 by the funded average daily attendance for  
8     grades 7 and 8 reported by the school district pursuant to Section  
9     42238.05 for the specified school year divided by the funded  
10    average daily attendance for grades 4 to 8, inclusive, reported by  
11    the school district pursuant to Section 42238.05 for the specified  
12    school year.

13    (B) Multiply the product obtained in subparagraph (A) by the  
14    grade span adjusted base grant specified in subparagraph (C) of  
15    paragraph (1) of subdivision (d) of Section 42238.02, as annually  
16    adjusted for cost of living pursuant to paragraph (2) of subdivision  
17    (d) of Section 42238.02.

18    SEC. 18. Section 41544 of the Education Code is amended to  
19    read:

20    41544. (a) For a basic aid school district that was entitled to  
21    reimbursement pursuant to Section 42247.4, as that section read  
22    on January 1, 2001, and that received an apportionment pursuant  
23    to subdivision (h) of Section 42247.4, as that section read on  
24    January 1, 2001, because a court order directs pupils to transfer to  
25    that school district as part of the court-ordered voluntary pupil  
26    transfer program, the Superintendent, from the 2001–02 fiscal year  
27    to the 2012–13 fiscal year, inclusive, shall calculate an  
28    apportionment of state funds for that basic aid school district that  
29    provides 70 percent of the school district revenue limit calculated  
30    pursuant to Section 42238, as that section read on January 1, 2013,  
31    that would have been apportioned to the school district from which  
32    the pupils were transferred for the average daily attendance of any  
33    pupils credited under that court order who did not attend the basic  
34    aid school district before the 1995–96 fiscal year.

35    (b) (1) For a basic aid school district that was entitled to  
36    reimbursement pursuant to Section 42247.4, as that section read  
37    on January 1, 2001, and that received an apportionment pursuant  
38    to subdivision (h) of Section 42247.4, as that section read on  
39    January 1, 2001, because a court order directs pupils to transfer to  
40    that school district as part of the court-ordered voluntary pupil

1 transfer program, the Superintendent, commencing with the  
2 2013–14 fiscal year, shall calculate an apportionment of state funds  
3 for that basic aid school district that provides 70 percent of the  
4 school district local control funding formula base grant calculated  
5 pursuant to subdivision (d) of Section 42238.02, as implemented  
6 by Section 42238.03, that would have been apportioned to the  
7 school district from which the pupils were transferred for the  
8 average daily attendance of any pupils credited under that court  
9 order who did not attend the basic aid school district before the  
10 1995–96 fiscal year.

11 (2) Notwithstanding paragraph (1), until the Superintendent  
12 determines that the school district from which the pupil or pupils  
13 were transferred is funded pursuant to Section 42238.02 in the  
14 prior fiscal year, the Superintendent shall apportion, for average  
15 daily attendance credited pursuant to paragraph (1), 70 percent of  
16 the sum of the entitlements for the school district from which the  
17 pupil or pupils were transferred for the specified fiscal year as  
18 computed pursuant to paragraphs (1) to (4), inclusive, of  
19 subdivision (a), and paragraph (3) of subdivision (b), of Section  
20 42238.03, divided by the average daily attendance of that school  
21 district for that fiscal year and then multiplied by the ratio of local  
22 control formula base grant funding computed pursuant to  
23 subdivision (d) of Section 42238.02 to the local control funding  
24 formula amount for that fiscal year computed pursuant to Section  
25 42238.02.

26 (3) *If the entitlements for the school district from which the*  
27 *pupil or pupils were transferred computed pursuant to paragraphs*  
28 *(1) to (4), inclusive, of subdivision (a), and paragraph (3) of*  
29 *subdivision (b), of Section 42238.03, include funding calculated*  
30 *pursuant to Article 4 (commencing with Section 42280) of Chapter*  
31 *7 for a fiscal year, paragraph (2) shall not apply and the*  
32 *apportionment of state funds for the average daily attendance*  
33 *credited pursuant to this section for that fiscal year shall be*  
34 *calculated pursuant to paragraph (1).*

35 (c) For purposes of subdivision (b) of this section, “basic aid  
36 school district” means a school district that does not receive from  
37 the state, for any fiscal year in which this section is applied, an  
38 apportionment of state funds pursuant to subdivision (o) of Section  
39 42238.02.

1     *SEC. 19. Section 42238.01 of the Education Code is amended*  
2     *to read:*

3     42238.01. For purposes of Section 42238.02, the following  
4     definitions shall apply:

5     (a) “Eligible for free or reduced-price meals” means determined  
6     to meet federal income eligibility criteria or deemed to be  
7     categorically eligible for free or reduced-price meals under the  
8     National School Lunch Program, as described in Part 245 of Title  
9     7 of the Code of Federal Regulations. *A school participating in a*  
10    *special assistance alternative authorized by Section 11(a)(1) of*  
11    *the Richard B. Russell National School Lunch Act (Public Law*  
12    *113-79), including Provision 2, Provision 3, or the Community*  
13    *Eligibility Option, may establish a base year for purposes of the*  
14    *local control funding formula by collecting household income data*  
15    *to determine whether a student meets free and reduced-price meal*  
16    *income eligibility criteria at least once every four years, if the*  
17    *school determines free and reduced-price meal eligibility for each*  
18    *new enrolled or disenrolled pupil between base year eligibility*  
19    *determination collections. A school that uses the special assistance*  
20    *alternative shall maintain information on each student’s income*  
21    *eligibility status and annually submit information on that status*  
22    *in the California Longitudinal Pupil Achievement Data System*  
23    *pursuant to paragraph (2) of subdivision (b) of Section 42238.02*  
24    *or subparagraph (A) of paragraph (3) of subdivision (b) of Section*  
25    *2574, as applicable. To the extent permitted by federal law, a*  
26    *school may choose to establish a new base year for purposes of*  
27    *the National School Lunch Program at the same time the school*  
28    *establishes a new base year for purposes of the local control*  
29    *funding formula. A school may use National School Lunch Program*  
30    *application forms to collect household income data as permitted*  
31    *under the National School Lunch Program. If the use of National*  
32    *School Lunch Program application forms is not permitted, a school*  
33    *shall use alternative income data collection forms.*

34    (b) “Foster youth” means ~~a foster child, as described in~~  
35    ~~subdivision (a) of Section 48853.5, or a~~ any of the following:

36    (1) *A child who is the subject of a petition filed pursuant to*  
37    *Section 300 of the Welfare and Institutions Code, whether or not*  
38    *the child has been removed from his or her home by the juvenile*  
39    *court pursuant to Section 319 or 361 of the Welfare and Institutions*  
40    *Code.*

1 (2) *A child who is the subject of a petition filed pursuant to*  
2 *Section 602 of the Welfare and Institutions Code, has been removed*  
3 *from his or her home by the juvenile court pursuant to Section 727*  
4 *of the Welfare and Institutions Code, and is in foster care as*  
5 *defined by subdivision (d) of Section 727.4 of the Welfare and*  
6 *Institutions Code.*

7 (3) A nonminor under the transition jurisdiction of the juvenile  
8 court, as described in Section 450 of the Welfare and Institutions  
9 Code, who satisfies all of the following criteria:

10 ~~(1)~~

11 (A) He or she has attained 18 years of age while under an order  
12 of foster care placement by the juvenile court, and is not more than  
13 19 years of age on or after January 1, 2012, not more than 20 years  
14 of age on or after January 1, 2013, and not more than 21 years of  
15 age, on or after January 1, 2014, and as described in Section  
16 10103.5 of the Welfare and Institutions Code.

17 ~~(2)~~

18 (B) He or she is in foster care under the placement and care  
19 responsibility of the county welfare department, county probation  
20 department, Indian tribe, consortium of tribes, or tribal organization  
21 that entered into an agreement pursuant to Section 10553.1 of the  
22 Welfare and Institutions Code.

23 ~~(3)~~

24 (C) He or she is participating in a transitional independent living  
25 case plan pursuant to Section 475(8) of the federal Social Security  
26 Act (42 U.S.C. Sec. 675(8)), as contained in the federal Fostering  
27 Connections to Success and Increasing Adoptions Act of 2008  
28 (Public Law 110-351), as described in Section 11403 of the  
29 Welfare and Institutions Code.

30 (c) “Pupils of limited English proficiency” means pupils who  
31 do not have the clearly developed English language skills of  
32 comprehension, speaking, reading, and writing necessary to receive  
33 instruction only in English at a level substantially equivalent to  
34 pupils of the same age or grade whose primary language is English.  
35 “English learner” shall have the same meaning as is provided for  
36 in subdivision (a) of Section 306 and as “pupils of limited English  
37 proficiency.”

38 *SEC. 20. Section 42238.02 of the Education Code is amended*  
39 *to read:*

1 42238.02. (a) The amount computed pursuant to this section  
2 shall be known as the school district and charter school local  
3 control funding formula.

4 (b) (1) For purposes of this section “unduplicated pupil” means  
5 a pupil enrolled in a school district or a charter school who is either  
6 classified as an English learner, eligible for a free or reduced-price  
7 meal, or is a foster youth. A pupil shall be counted only once for  
8 purposes of this section if any of the following apply:

9 (A) The pupil is classified as an English learner and is eligible  
10 for a free or reduced-price meal.

11 (B) The pupil is classified as an English learner and is a foster  
12 youth.

13 (C) The pupil is eligible for a free or reduced-price meal and is  
14 classified as a foster youth.

15 (D) The pupil is classified as an English learner, is eligible for  
16 a free or reduced-price meal, and is a foster youth.

17 (2) Under procedures and timeframes established by the  
18 Superintendent, commencing with the 2013–14 fiscal year, a school  
19 district or charter school shall annually submit its enrolled free  
20 and reduced-price meal eligibility, foster youth, and English learner  
21 pupil-level records for enrolled pupils to the Superintendent using  
22 the California Longitudinal Pupil Achievement Data System.

23 (3) (A) Commencing with the 2013–14 fiscal year, a county  
24 office of education shall review and validate certified aggregate  
25 English learner, foster youth, and free or reduced-price meal  
26 eligible pupil data for school districts and charter schools under  
27 its jurisdiction to ensure the data is reported accurately. The  
28 Superintendent shall provide each county office of education with  
29 appropriate access to school district and charter school data reports  
30 in the California Longitudinal Pupil Achievement Data System  
31 for purposes of ensuring data reporting accuracy.

32 (B) The Controller shall include the instructions necessary to  
33 enforce paragraph (2) in the audit guide required by Section  
34 14502.1. The instructions shall include, but are not necessarily  
35 limited to, procedures for determining if the English learner, foster  
36 youth, and free or reduced-price meal eligible pupil counts are  
37 consistent with the school district’s or charter school’s English  
38 learner, foster youth, and free or reduced-price meal eligible pupil  
39 records.

(4) The Superintendent shall make the calculations pursuant to this section using the data submitted by local educational agencies, including charter schools, through the California Longitudinal Pupil Achievement Data System. Under timeframes and procedures established by the Superintendent, school districts and charter schools may review and revise their submitted data on English learner, foster youth, and free or reduced-price meal eligible pupil counts to ensure the accuracy of data reflected in the California Longitudinal Pupil Achievement Data System.

(5) The Superintendent shall annually compute the percentage of unduplicated pupils for each school district and charter school by dividing the enrollment of unduplicated pupils in a school district or charter school by the total enrollment in that school district or charter school pursuant to all of the following:

(A) For the 2013–14 fiscal year, divide the sum of unduplicated pupils for the 2013–14 fiscal year by the sum of the total pupil enrollment for the 2013–14 fiscal year.

(B) For the 2014–15 fiscal year, divide the sum of unduplicated pupils for the 2013–14 and 2014–15 fiscal years by the sum of the total pupil enrollment for the 2013–14 and 2014–15 fiscal years.

(C) For the 2015–16 fiscal year and each fiscal year thereafter, divide the sum of unduplicated pupils for the current fiscal year and the two prior fiscal years by the sum of the total pupil enrollment for the current fiscal year and the two prior fiscal years.

(D) (i) *For purposes of the quotients determined pursuant to subparagraphs (B) and (C), the Superintendent shall use a school district's or charter school's enrollment of unduplicated pupils and total pupil enrollment in the 2014–15 fiscal year instead of the enrollment of unduplicated pupils and total pupil enrollment in the 2013–14 fiscal year if doing so would yield an overall greater percentage of unduplicated pupils.*

(ii) *It is the intent of the Legislature to review each school district and charter school's enrollment of unduplicated pupils for the 2013–14 and 2014–15 fiscal years and provide one-time funding, if necessary, for a school district or charter school with higher enrollment of unduplicated pupils in the 2014–15 fiscal year as compared to the 2013–14 fiscal year.*

(6) *The data used to determine the percentage of unduplicated pupils shall be final once that data is no longer used in the current fiscal year calculation of the percentage of unduplicated pupils.*

1 *This paragraph does not apply to a change that is the result of an*  
2 *audit that has been appealed pursuant to Section 41344.*

3 (c) Commencing with the 2013–14 fiscal year and each fiscal  
4 year thereafter, the Superintendent shall annually calculate a local  
5 control funding formula grant for each school district and charter  
6 school in the state pursuant to this section.

7 (d) The Superintendent shall compute a grade span adjusted  
8 base grant equal to the total of the following amounts:

9 (1) For the 2013–14 fiscal year, a base grant of:

10 (A) Six thousand eight hundred forty-five dollars (\$6,845) for  
11 average daily attendance in kindergarten and grades 1 to 3,  
12 inclusive.

13 (B) Six thousand nine hundred forty-seven dollars (\$6,947) for  
14 average daily attendance in grades 4 to 6, inclusive.

15 (C) Seven thousand one hundred fifty-four dollars (\$7,154) for  
16 average daily attendance in grades 7 and 8.

17 (D) Eight thousand two hundred eighty-nine dollars (\$8,289)  
18 for average daily attendance in grades 9 to 12, inclusive.

19 (2) In each year the grade span adjusted base grants in paragraph  
20 (1) shall be adjusted by the percentage change in the annual average  
21 value of the Implicit Price Deflator for State and Local Government  
22 Purchases of Goods and Services for the United States, as published  
23 by the United States Department of Commerce for the 12-month  
24 period ending in the third quarter of the prior fiscal year. This  
25 percentage change shall be determined using the latest data  
26 available as of May 10 of the preceding fiscal year compared with  
27 the annual average value of the same deflator for the 12-month  
28 period ending in the third quarter of the second preceding fiscal  
29 year, using the latest data available as of May 10 of the preceding  
30 fiscal year, as reported by the Department of Finance.

31 (3) (A) The Superintendent shall compute an additional  
32 adjustment to the kindergarten and grades 1 to 3, inclusive, base  
33 grant as adjusted for inflation pursuant to paragraph (2) equal to  
34 10.4 percent. The additional grant shall be calculated by  
35 multiplying the kindergarten and grades 1 to 3, inclusive, base  
36 grant, as adjusted by paragraph (2), by 10.4 percent.

37 (B) Until paragraph (4) of subdivision (b) of Section 42238.03  
38 is effective, as a condition of the receipt of funds in this paragraph,  
39 a school district shall make progress toward maintaining an average  
40 class enrollment of not more than 24 pupils for each schoolsite in



1 kindergarten and grades 1 to 3, inclusive, unless a collectively  
2 bargained alternative annual average class enrollment for each  
3 schoolsite in those grades is agreed to by the school district,  
4 pursuant to the following calculation:

5 (i) Determine a school district's average class enrollment for  
6 each schoolsite for kindergarten and grades 1 to 3, inclusive, in  
7 the prior year. For the 2013–14 fiscal year, this amount shall be  
8 the average class enrollment for each schoolsite for kindergarten  
9 and grades 1 to 3, inclusive, in the 2012–13 fiscal year.

10 (ii) Determine a school district's proportion of total need  
11 pursuant to paragraph (2) of subdivision (b) of Section 42238.03.

12 (iii) Determine the percentage of the need calculated in clause  
13 (ii) that is met by funding provided to the school district pursuant  
14 to paragraph (3) of subdivision (b) of Section 42238.03.

15 (iv) Determine the difference between the amount computed  
16 pursuant to clause (i) and an average class enrollment of not more  
17 than 24 pupils.

18 (v) Calculate a current year average class enrollment adjustment  
19 for each schoolsite for kindergarten and grades 1 to 3, inclusive,  
20 equal to the adjustment calculated in clause (iv) multiplied by the  
21 percentage determined pursuant to clause (iii).

22 (C) School districts that have an average class enrollment for  
23 each schoolsite for kindergarten and grades 1 to 3, inclusive, of  
24 24 pupils or less for each schoolsite in the 2012–13 fiscal year,  
25 shall be exempt from the requirements of subparagraph (B) so long  
26 as the school district continues to maintain an average class  
27 enrollment for each schoolsite for kindergarten and grades 1 to 3,  
28 inclusive, of not more than 24 pupils, unless a collectively  
29 bargained alternative ratio is agreed to by the school district.

30 (D) Upon full implementation of the local control funding  
31 formula, as a condition of the receipt of funds in this paragraph,  
32 all school districts shall maintain an average class enrollment for  
33 each schoolsite for kindergarten and grades 1 to 3, inclusive, of  
34 not more than 24 pupils for each schoolsite in kindergarten and  
35 grades 1 to 3, inclusive, unless a collectively bargained alternative  
36 ratio is agreed to by the school district.

37 (E) The average class enrollment requirement for each schoolsite  
38 for kindergarten and grades 1 to 3, inclusive, established pursuant  
39 to this paragraph shall not be subject to waiver by the state board  
40 pursuant to Section 33050 or by the Superintendent.

(F) The Controller shall include the instructions necessary to enforce this paragraph in the audit guide required by Section 14502.1. The instructions shall include, but are not necessarily limited to, procedures for determining if the average class enrollment for each schoolsite for kindergarten and grades 1 to 3, inclusive, exceeds 24 pupils, or an alternative average class enrollment for each schoolsite pursuant to a collectively bargained alternative ratio. The procedures for determining average class enrollment for each schoolsite shall include criteria for employing sampling.

(4) The Superintendent shall compute an additional adjustment to the base grant for grades 9 to 12, inclusive, as adjusted for inflation pursuant to paragraph (2), equal to 2.6 percent. The additional grant shall be calculated by multiplying the base grant for grades 9 to 12, inclusive, as adjusted by paragraph (2), by 2.6 percent.

(e) The Superintendent shall compute a supplemental grant add-on equal to 20 percent of the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision (d), for each school district's or charter school's percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b). The supplemental grant shall be calculated by multiplying the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1), as adjusted by paragraphs (2) to (4), inclusive, of subdivision (d), by 20 percent and by the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in that school district or charter school. The supplemental grant shall be expended in accordance with the regulations adopted pursuant to Section 42238.07.

(f) (1) The Superintendent shall compute a concentration grant add-on equal to 50 percent of the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision (d), for each school district's or charter school's percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school district's or charter school's total enrollment. The concentration grant shall be calculated by multiplying the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision

1 (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision  
2 (d), by 50 percent and by the percentage of unduplicated pupils  
3 calculated pursuant to paragraph (5) of subdivision (b) in excess  
4 of 55 percent of the total enrollment in that school district or charter  
5 school.

6 (2) (A) For a charter school physically located in only one  
7 school district, the percentage of unduplicated pupils calculated  
8 pursuant to paragraph (5) of subdivision (b) in excess of 55 percent  
9 used to calculate concentration grants shall not exceed the  
10 percentage of unduplicated pupils calculated pursuant to paragraph  
11 (5) of subdivision (b) in excess of 55 percent of the school district  
12 in which the charter school is physically located. For a charter  
13 school physically located in more than one school district, the  
14 charter school's percentage of unduplicated pupils calculated  
15 pursuant to paragraph (5) of subdivision (b) in excess of 55 percent  
16 used to calculate concentration grants shall not exceed that of the  
17 school district with the highest percentage of unduplicated pupils  
18 calculated pursuant to paragraph (5) of subdivision (b) in excess  
19 of 55 percent of the school districts in which the charter school  
20 has a school facility. The concentration grant shall be expended  
21 in accordance with the regulations adopted pursuant to Section  
22 42238.07.

23 (B) *For purposes of this paragraph and subparagraph (A) of*  
24 *paragraph (1) of subdivision (f) of Section 42238.03, a charter*  
25 *school shall report its physical location to the department under*  
26 *timeframes established by the department. For a charter school*  
27 *authorized by a school district, the department shall include the*  
28 *authorizing school district in the department's determination of*  
29 *physical location. For a charter school authorized on appeal*  
30 *pursuant to subdivision (j) of Section 47605, the department shall*  
31 *include the sponsoring school district in the department's*  
32 *determination of physical location. The reported physical location*  
33 *of the charter school shall be considered final as of the second*  
34 *principal apportionment for that fiscal year. For purposes of this*  
35 *paragraph, the percentage of unduplicated pupils of the school*  
36 *district associated with the charter school pursuant to*  
37 *subparagraph (A) shall be considered final as of the second*  
38 *principal apportionment for that fiscal year.*

39 (g) The Superintendent shall compute an add-on to the total  
40 sum of a school district's or charter school's base, supplemental,

1 and concentration grants equal to the amount of funding a school  
2 district or charter school received from funds allocated pursuant  
3 to the Targeted Instructional Improvement Block Grant program,  
4 as set forth in Article 6 (commencing with Section 41540) of  
5 Chapter 3.2, for the 2012–13 fiscal year, as that article read on  
6 January 1, 2013. A school district or charter school shall not receive  
7 a total funding amount from this add-on greater than the total  
8 amount of funding received by the school district or charter school  
9 from that program in the 2012–13 fiscal year. The amount  
10 computed pursuant to this subdivision shall reflect the reduction  
11 specified in paragraph (2) of subdivision (a) of Section 42238.03.

12 (h) The Superintendent shall compute an add-on to the total  
13 sum of a school district's or charter school's base, supplemental,  
14 and concentration grants equal to the amount of funding a school  
15 district or charter school received from funds allocated pursuant  
16 to the Home-to-School Transportation program, as set forth in  
17 former Article 2 (commencing with Section 39820) of Chapter 1  
18 of Part 23.5, former Article 10 (commencing with Section 41850)  
19 of Chapter 5, and the Small School District Transportation  
20 program, as set forth in former Article 4.5 (commencing with  
21 Section 42290), for the 2012–13 fiscal year. A school district or  
22 charter school shall not receive a total funding amount from this  
23 add-on greater than the total amount received by the school district  
24 or charter school for those programs in the 2012–13 fiscal year.  
25 The amount computed pursuant to this subdivision shall reflect  
26 the reduction specified in paragraph (2) of subdivision (a) of  
27 Section 42238.03.

28 (i) (1) The sum of the local control funding formula rates  
29 computed pursuant to subdivisions (c) to (f), inclusive, shall be  
30 multiplied by:

31 (A) For school districts, the average daily attendance of the  
32 school district in the corresponding grade level ranges computed  
33 pursuant to Section 42238.05, excluding the average daily  
34 attendance computed pursuant to paragraph (2) of subdivision (a)  
35 of Section 42238.05 for purposes of the computation specified in  
36 subdivision (d).

37 (B) For charter schools, the total current year average daily  
38 attendance in the corresponding grade level ranges.

39 (2) The amount computed pursuant to Article 4 (commencing  
40 with Section 42280) shall be added to the amount computed

1 pursuant to paragraphs (1) to (4), inclusive, of subdivision (d), as  
2 multiplied by subparagraph (A) or (B) of paragraph (1), as  
3 appropriate.

4 (j) The Superintendent shall adjust the sum of each school  
5 district's or charter school's amount determined in subdivisions  
6 (g) to (i), inclusive, pursuant to the calculation specified in Section  
7 42238.03, less the sum of the following:

8 (1) (A) For school districts, the property tax revenue received  
9 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter  
10 6 (commencing with Section 95) of Part 0.5 of Division 1 of the  
11 Revenue and Taxation Code.

12 (B) For charter schools, the in-lieu property tax amount provided  
13 to a charter school pursuant to Section 47635.

14 (2) The amount, if any, received pursuant to Part 18.5  
15 (commencing with Section 38101) of Division 2 of the Revenue  
16 and Taxation Code.

17 (3) The amount, if any, received pursuant to Chapter 3  
18 (commencing with Section 16140) of Part 1 of Division 4 of Title  
19 2 of the Government Code.

20 (4) Prior years' taxes and taxes on the unsecured roll.

21 (5) Fifty percent of the amount received pursuant to Section  
22 41603.

23 (6) The amount, if any, received pursuant to the Community  
24 Redevelopment Law (Part 1 (commencing with Section 33000)  
25 of Division 24 of the Health and Safety Code), less any amount  
26 received pursuant to Section 33401 or 33676 of the Health and  
27 Safety Code that is used for land acquisition, facility construction,  
28 reconstruction, or remodeling, or deferred maintenance and that  
29 is not an amount received pursuant to Section 33492.15, or  
30 paragraph (4) of subdivision (a) of Section 33607.5, or Section  
31 33607.7 of the Health and Safety Code that is allocated exclusively  
32 for educational facilities.

33 (7) The amount, if any, received pursuant to Sections 34177,  
34 34179.5, 34179.6, 34183, and 34188 of the Health and Safety  
35 Code.

36 (8) Revenue received pursuant to subparagraph (B) of paragraph  
37 (3) of subdivision (e) of Section 36 of Article XIII of the California  
38 Constitution.

39 (k) A school district shall annually transfer to each of its charter  
40 schools funding in lieu of property taxes pursuant to Section 47635.

(l) (1) Nothing in this section shall be interpreted to authorize a school district that receives funding on behalf of a charter school pursuant to Section 47651 to redirect this funding for another purpose unless otherwise authorized in law pursuant to paragraph (2) or pursuant to an agreement between the charter school and its chartering authority.

(2) A school district that received funding on behalf of a locally funded charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42605, Section 42606, and subdivision (b) of Section 47634.1, as those sections read on January 1, 2013, or a school district that was required to pass through funding to a conversion charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42606, as that section read on January 1, 2013, may annually redirect for another purpose a percentage of the amount of the funding received on behalf of that charter school. The percentage of funding that may be redirected shall be determined pursuant to the following computation:

(A) (i) Determine the sum of the need fulfilled for that charter school pursuant to paragraph (3) of subdivision (b) of Section 42238.03 in the then current fiscal year for the charter school.

(ii) Determine the sum of the need fulfilled in every fiscal year before the then current fiscal year pursuant to paragraph (3) of subdivision (b) of Section 42238.03 adjusted for changes in average daily attendance pursuant to paragraph (3) of subdivision (a) of Section 42238.03 for the charter school.

(iii) Subtract the amount computed pursuant to paragraphs (1) to (3), inclusive, of subdivision (a) of Section 42238.03 from the amount computed for that charter school under the local control funding formula entitlement computed pursuant to subdivision (i) of Section 42238.02.

(iv) Compute a percentage by dividing the sum of the amounts computed to clauses (i) and (ii) by the amount computed pursuant to clause (iii).

(B) Multiply the percentage computed pursuant to subparagraph (A) by the amount of funding the school district received on behalf of the charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42605, Section 42606, and subdivision (b) of Section 47634.1, as those sections read on January 1, 2013.

1 (C) The maximum amount that may be redirected shall be the  
2 lesser of the amount of funding the school district received on  
3 behalf of the charter school in the 2012–13 fiscal year pursuant to  
4 paragraph (2) of subdivision (b) of Section 42605, Section 42606,  
5 and subdivision (b) of Section 47634.1, as those sections read on  
6 January 1, 2013, or the amount computed pursuant to subparagraph  
7 (B).

8 (3) Commencing with the 2013–14 fiscal year, a school district  
9 operating one or more affiliated charter schools shall provide each  
10 affiliated charter school schoolsite with no less than the amount  
11 of funding the schoolsite received pursuant to the charter school  
12 block grant in the 2012–13 fiscal year.

13 (m) Any calculations in law that are used for purposes of  
14 determining if a local educational agency is an excess tax school  
15 entity or basic aid school district, including, but not limited to, this  
16 section and Sections 42238.03, 41544, 47632, 47660, 47663,  
17 48310, and 48359.5, and Section 95 of the Revenue and Taxation  
18 Code, shall be made exclusive of the revenue received pursuant  
19 to subparagraph (B) of paragraph (3) of subdivision (e) of Section  
20 36 of Article XIII of the California Constitution.

21 (n) The funds apportioned pursuant to this section and Section  
22 42238.03 shall be available to implement the activities required  
23 pursuant to Article 4.5 (commencing with Section 52060) of  
24 Chapter 6.1 of Part 28 of Division 4 of Title 2.

25 (o) A school district that does not receive an apportionment of  
26 state funds pursuant to this section, as implemented pursuant to  
27 Section 42238.03, excluding funds apportioned pursuant to the  
28 requirements of *subparagraph (A) of paragraph (2) of subdivision*  
29 *(e) of Section ~~42238.03~~ 42238.03*, shall be considered a “basic aid  
30 school district” or an “excess tax entity.”

31 *SEC. 21. Section 42238.025 of the Education Code is amended*  
32 *to read:*

33 42238.025. (a) In the 2013–14 fiscal year, the Superintendent  
34 shall compute an economic recovery target rate for each school  
35 district and charter school equal to the sum of the following:

36 (1) (A) For each school district, the school district’s revenue  
37 limit in the 2012–13 fiscal year as computed pursuant to this article,  
38 as this article read on January 1, 2013, divided by the 2012–13  
39 fiscal year average daily attendance of the school district computed  
40 pursuant to Section 42238.05. For purposes of this section, average

1 daily attendance shall include any applicable revenue limit average  
2 daily attendance and shall be considered final for purposes of this  
3 section as of the annual apportionment for the 2012–13 fiscal year,  
4 as calculated for purposes of the certification required on or before  
5 February 20, 2014, pursuant to Sections 41332 and 41339.

6 (B) For each charter school, the charter school's general purpose  
7 funding as computed pursuant to Article 2 (commencing with  
8 Section 47633) of Chapter 6 of Part 26.8 of Division 4, as that  
9 article read on January 1, 2013, and the in-lieu property tax amount  
10 provided to the charter school pursuant to Section 47635, as that  
11 section read on January 1, 2013, divided by the 2012–13 fiscal  
12 year average daily attendance of the charter school computed  
13 pursuant to Section 42238.05. For purposes of this section, average  
14 daily attendance shall include any applicable charter school general  
15 purpose funding average daily attendance and shall be considered  
16 final for purposes of this section as of the annual apportionment  
17 for the 2012–13 fiscal year, as calculated for purposes of the  
18 certification required on or before February 20, 2014, pursuant to  
19 Sections 41332 and 41339.

20 (C) The amounts determined pursuant to subparagraphs (A) and  
21 (B) shall not reflect the deficit factor adjustments set forth in  
22 Section 42238.146 as that section read on January 1, 2013.

23 (D) The amounts determined pursuant to subparagraphs (A)  
24 and (B) shall be adjusted for the cost-of-living adjustment for the  
25 2013–14 fiscal year pursuant to paragraph (2) of subdivision (d)  
26 of Section 42238.02 and an annual average cost-of-living  
27 adjustment of 1.94 percent for the 2014–15 fiscal year to the  
28 2020–21 fiscal year, inclusive.

29 (2) (A) For each school district and charter school, the sum of  
30 the entitlements from items contained in Section 2.00 of the Budget  
31 Act of 2012 for Items 6110-104-0001, 6110-105-0001,  
32 6110-108-0001, 6110-111-0001, 6110-124-0001, 6110-128-0001,  
33 6110-137-0001, 6110-144-0001, 6110-156-0001, 6110-181-0001,  
34 6110-188-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001,  
35 6110-195-0001, 6110-198-0001, 6110-204-0001, 6110-208-0001,  
36 6110-209-0001, 6110-211-0001, 6110-212-0001, 6110-227-0001,  
37 6110-228-0001, 6110-232-0001, 6110-240-0001, 6110-242-0001,  
38 6110-243-0001, 6110-244-0001, 6110-245-0001, 6110-246-0001,  
39 6110-247-0001, 6110-248-0001, 6110-260-0001, 6110-265-0001,  
40 6110-267-0001, 6110-268-0001, 6360-101-0001, 2012–13 fiscal



1 year funding for the Class Size Reduction Program pursuant to  
2 Chapter 6.10 (commencing with Section 52120) of Part 28 of  
3 Division 4, as it read on January 1, 2013, and 2012–13 fiscal year  
4 funding for pupils enrolled in community day schools who are  
5 mandatorily expelled pursuant to subdivision (d) of Section 48915,  
6 divided by the 2012–13 fiscal year average daily attendance of the  
7 school district computed pursuant to Section 42238.05. *For*  
8 *purposes of this subparagraph, 2012–13 fiscal year entitlements*  
9 *shall be considered final as of the annual apportionment for the*  
10 *2012–13 fiscal year, as calculated for purposes of the certification*  
11 *required on or before February 20, 2014, pursuant to Sections*  
12 *41332 and 41339.*

13 (B) The amounts determined pursuant to this subdivision shall  
14 not be adjusted for the reduction set forth in Section 12.42 of the  
15 Budget Act of 2012.

16 (b) Of the amounts computed for school districts pursuant to  
17 subdivision (a), the Superintendent shall determine the funding  
18 rate per unit of average daily attendance above which fall not more  
19 than 10 percent of the total number of school districts statewide.

20 (c) The Superintendent shall compute a 2020–21 fiscal year  
21 local control funding formula rate for each school district and  
22 charter school equal to the amount computed pursuant to Section  
23 42238.02 for the 2013–14 fiscal year, adjusted for an annual  
24 average cost-of-living adjustment of 1.94 percent for the 2014–15  
25 fiscal year to the 2020–21 fiscal year, inclusive, divided by the  
26 ~~2012–13~~ 2013–14 fiscal year average daily attendance of the school  
27 district or charter school computed pursuant to Section 42238.05.  
28 *For purposes of this subdivision, the amount computed pursuant*  
29 *to Section 42238.02 for the 2013–14 fiscal year shall be considered*  
30 *final as of the second principal apportionment for the 2013–14*  
31 *fiscal year, as calculated for purposes of the certification required*  
32 *on or before July 2, 2014, pursuant to Sections 41335 and 41339.*

33 (d) (1) For each school district and charter school that has a  
34 funding rate per unit of average daily attendance computed pursuant  
35 to subdivision (a) that is equal to, or below, the funding rate per  
36 unit of average daily attendance determined pursuant to subdivision  
37 (b), the Superintendent shall subtract the amount computed  
38 pursuant to subdivision (c) from the amount computed pursuant  
39 to subdivision (a). Each school district or charter school for which  
40 this calculation yields an amount greater than zero shall be eligible

1 for an economic recovery target payment equal to the amount of  
2 the difference. A school district or charter school that has a funding  
3 rate per unit of average daily attendance calculated pursuant to  
4 subdivision (a) that exceeds the rate calculated pursuant to  
5 subdivision (b) shall not be eligible for an economic recovery  
6 target payment.

7 (2) Each school district or charter school eligible for an  
8 economic recovery target payment pursuant to paragraph (1) shall  
9 receive the following apportionments:

10 (A) For the 2013–14 fiscal year, one-eighth of the amount  
11 calculated pursuant to paragraph (1) multiplied by the 2012–13  
12 fiscal year average daily attendance computed pursuant to Section  
13 42238.05.

14 (B) For the 2014–15 fiscal year, ~~two-eighths~~ *one-quarter* of the  
15 amount calculated pursuant to paragraph (1) multiplied by the  
16 2012–13 fiscal year average daily attendance computed pursuant  
17 to Section 42238.05.

18 (C) For the 2015–16 fiscal year, three-eighths of the amount  
19 calculated pursuant to paragraph (1) multiplied by the 2012–13  
20 fiscal year average daily attendance computed pursuant to Section  
21 42238.05.

22 (D) For the 2016–17 fiscal year, ~~four-eighths~~ *one-half* of the  
23 amount calculated pursuant to paragraph (1) multiplied by the  
24 2012–13 fiscal year average daily attendance computed pursuant  
25 to Section 42238.05.

26 (E) For the 2017–18 fiscal year, five-eighths of the amount  
27 calculated pursuant to paragraph (1) multiplied by the 2012–13  
28 fiscal year average daily attendance computed pursuant to Section  
29 42238.05.

30 (F) For the 2018–19 fiscal year, ~~six-eighths~~ *three-quarters* of  
31 the amount calculated pursuant to paragraph (1) multiplied by the  
32 2012–13 fiscal year average daily attendance computed pursuant  
33 to Section 42238.05.

34 (G) For the 2019–20 fiscal year, seven-eighths of the amount  
35 calculated pursuant to paragraph (1) multiplied by the 2012–13  
36 fiscal year average daily attendance computed pursuant to Section  
37 42238.05.

38 (H) For the 2020–21 fiscal year and each fiscal year thereafter,  
39 the amount calculated pursuant to paragraph (1) multiplied by the

2012–13 fiscal year average daily attendance computed pursuant to Section 42238.05.

(3) In each fiscal year until a determination has been made that all school districts and charter schools equal or exceed the local control funding formula target computed pursuant to Section 42238.02, as determined by the calculation of a zero difference pursuant to paragraph (1) of subdivision (b) of Section 42238.03, the economic recovery target payment apportioned to each eligible school district or charter school pursuant to paragraph (2) shall be added to the school district’s or charter school’s funding amounts that are continuously appropriated pursuant to subdivision (a) of Section 42238.03 and included in the amount of funding that ~~may~~ *be is subject to* offset pursuant to subdivision (c) of Section 42238.03. The amount apportioned pursuant to paragraph (2) shall not receive a cost-of-living adjustment.

(4) Commencing with the first fiscal year in which all school districts and charter schools are apportioned funding pursuant to Section 42238.02, the economic recovery target calculated pursuant to *subparagraph (H) of* paragraph (2) shall be included as an add-on to the amounts computed pursuant to subdivisions (c) to (i), inclusive, of Section 42238.02 and included in the amount of funding that ~~may be~~ *is subject to* offset pursuant to subdivision (j) of Section 42238.02. The amount included as an add-on pursuant to this paragraph shall not receive a cost-of-living adjustment.

*SEC. 22. Section 42238.03 of the Education Code is amended to read:*

42238.03. (a) Commencing with the 2013–14 fiscal year and each fiscal year thereafter, the Superintendent shall calculate a base entitlement for the transition to the local control funding formula for each school district and charter school equal to the sum of the amounts computed pursuant to paragraphs (1) to (4), inclusive. The amounts computed pursuant to paragraphs (1) to (4), inclusive, shall be continuously appropriated pursuant to Section 14002.

(1) The current fiscal year base entitlement funding level shall be the sum of all of the following:

(A) For school districts, revenue limits in the 2012–13 fiscal year as computed pursuant to Article 2 (commencing with Section 42238), as that article read on January 1, 2013, divided by the 2012–13 average daily attendance of the school district computed

1 pursuant to Section 42238.05. That quotient shall be multiplied  
2 by the current fiscal year average daily attendance of the school  
3 district computed pursuant Section 42238.05. A school district's  
4 2012–13 fiscal year revenue limit funding shall exclude amounts  
5 computed pursuant to Article 4 (commencing with Section 42280).  
6 *For purposes of this subparagraph, 2012–13 fiscal year average*  
7 *daily attendance and 2012–13 fiscal year revenue limits shall be*  
8 *considered final as of the annual apportionment for the 2012–13*  
9 *fiscal year, as calculated for purposes of the certification required*  
10 *on or before February 20, 2014, pursuant to Sections 41332 and*  
11 *41339.*

12 (B) (i) For charter schools, general purpose funding *in the*  
13 *2012–13 fiscal year* as computed pursuant to Article 2  
14 (commencing with Section 47633) of Chapter 6 of Part 26.8 of  
15 Division 4, as that article read on January 1, 2013, and the amount  
16 of in-lieu property tax provided to the charter school pursuant to  
17 Section 47635, as that section read on June 30, 2013, divided by  
18 the 2012–13 average daily attendance of the charter school  
19 computed pursuant to Section 42238.05. That quotient shall be  
20 multiplied by the current fiscal year average daily attendance of  
21 the charter school computed pursuant to Section 42238.05. *For*  
22 *purposes of this subparagraph, 2012–13 fiscal year average daily*  
23 *attendance and 2012–13 fiscal year general purpose funding, as*  
24 *computed pursuant to Article 2 (commencing with Section 47633)*  
25 *of Chapter 6 of Part 26.8 of Division 4, as that article read on*  
26 *January 1, 2013, shall be considered final as of the annual*  
27 *apportionment for the 2012–13 fiscal year, as calculated for*  
28 *purposes of the certification required on or before February 20,*  
29 *2014, pursuant to Sections 41332 and 41339.*

30 (ii) The amount computed pursuant to clause (i) shall exclude  
31 funds received by a charter school pursuant to Section 47634.1,  
32 as that section read on January 1, 2013.

33 (C) The amount computed pursuant to subparagraph (A) shall  
34 exclude funds received pursuant to Section 47633, as that section  
35 read on January 1, 2013.

36 (D) For school districts, funding for qualifying necessary small  
37 high school and necessary small elementary schools shall be  
38 adjusted to reflect the funding levels that correspond to the 2012–13  
39 necessary small high school and necessary small elementary school  
40 allowances pursuant Article 4 (commencing with Section 42280)

1 and Section 42238.146, as those provisions read on January 1,  
2 2013.

3 (2) (A) Entitlements from items contained in Section 2.00, as  
4 adjusted pursuant to Section 12.42, of the Budget Act of 2012 for  
5 Items 6110-104-0001, 6110-105-0001, 6110-108-0001,  
6 6110-111-0001, 6110-124-0001, 6110-128-0001, 6110-137-0001,  
7 6110-144-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001,  
8 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001,  
9 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001,  
10 6110-211-0001, 6110-212-0001, 6110-227-0001, 6110-228-0001,  
11 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001,  
12 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001,  
13 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-267-0001,  
14 6110-268-0001, 6360-101-0001, 2012–13 fiscal year funding for  
15 the Class Size Reduction Program pursuant to Chapter 6.10  
16 (commencing with Section 52120) of Part 28 of Division 4, as it  
17 read on January 1, 2013, and 2012–13 fiscal year funding for pupils  
18 enrolled in community day schools who are mandatorily expelled  
19 pursuant to subdivision (d) of Section 48915. The entitlement for  
20 basic aid school districts shall include the reduction of 8.92 percent  
21 as applied pursuant to subparagraph (A) of paragraph (1) of  
22 subdivision (a) of ~~Section 3 of Chapter 2~~ *Section 89 of Chapter*  
23 *38 of the Statutes of 2012. For purposes of this subparagraph,*  
24 *2012–13 fiscal year entitlements shall be considered final as of*  
25 *the annual apportionment for the 2012–13 fiscal year, as calculated*  
26 *for purposes of the certification required on or before February*  
27 *20, 2014, pursuant to Sections 41332 and 41339.*

28 (B) *Commencing with the 2014–15 fiscal year, the entitlements*  
29 *identified in subparagraph (A) shall be adjusted to reflect the*  
30 *exclusion of one-time redevelopment agency liquid asset recovery*  
31 *revenue, pursuant to Section 34179.5 and following, of the Health*  
32 *and Safety Code, before the application of the 8.92-percent*  
33 *reduction applied pursuant to subparagraph (A) of paragraph (1)*  
34 *of subdivision (a) of Section 3 of Chapter 2 of the Statutes of 2012.*

35 (3) The allocations pursuant to Sections 42606 and 47634.1, as  
36 those sections read on January 1, 2013, divided by the 2012–13  
37 average daily attendance of the charter school computed pursuant  
38 to Section 42238.05. That quotient shall be multiplied by the  
39 current fiscal year average daily attendance of the charter school  
40 computed pursuant to Section 42238.05.

(4) The amount allocated to a school district or charter school pursuant to paragraph (3) of subdivision (b) for the fiscal years before the current fiscal year divided by the average daily attendance of the school district or charter school for the fiscal years before the current fiscal year computed pursuant to Section 42238.05. That quotient shall be multiplied by the current fiscal year average daily attendance of the school district or charter school computed pursuant to Section 42238.05.

(5) (A) For the 2013–14 and 2014–15 fiscal years only, a school district that, in the 2012–13 fiscal year, from any of the funding sources identified in paragraph (1) or (2), received funds on behalf of, or provided funds to, a regional occupational center or program joint powers agency established in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing instruction to secondary pupils shall not redirect that funding for another purpose unless otherwise authorized in law or pursuant to an agreement between the regional occupational center or program joint powers agency and the contracting school district.

(B) For the 2013–14 and 2014–15 fiscal years only, if a regional occupational center or program joint powers agency established in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing instruction to pupils enrolled in grades 9 to 12, inclusive, received, in the 2012–13 fiscal year, an apportionment of funds directly from any of the funding sources identified in subparagraph (A) of paragraph (2) of subdivision (a), the Superintendent shall apportion that same amount to the regional occupational center or program joint powers agency.

(6) (A) (i) For the 2013–14 and 2014–15 fiscal years only, a school district that, in the 2012–13 fiscal year, from any of the funding sources identified in paragraph (1) or (2), received funds on behalf of, or provided funds to, a home-to-school transportation joint powers agency established in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing pupil transportation shall not redirect that funding for another purpose unless otherwise authorized in law or pursuant to an agreement between the home-to-school transportation joint powers agency and the contracting school district.

(ii) For the 2013–14 and 2014–15 fiscal years only, if a home-to-school transportation joint powers agency established in accordance with Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing pupil transportation received, in the 2012–13 fiscal year, an apportionment of funds directly from the Superintendent from any of the funding sources identified in subparagraph (A) of paragraph (2) of subdivision (a), the Superintendent shall apportion that same amount to the home-to-school transportation joint powers agency.

(B) In addition to subparagraph (A), of the funds a school district receives for home-to-school transportation programs the school district shall expend, pursuant to Article 2 (commencing with Section 39820) of Chapter 1 of Part 23.5, Article 10 (commencing with Section 41850) of Chapter 5, and the Small School District Transportation program, as set forth in Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of Division 3 of Title 2, no less for those programs than the amount of funds the school district expended for home-to-school transportation in the 2012–13 fiscal year.

(7) For the 2013–14 and 2014–15 fiscal years only, of the funds a school district receives for purposes of regional occupational centers or programs, or adult education, the school district shall expend no less than the amount of funds the school district expended for purposes of regional occupational centers or programs, or adult education, respectively, in the 2012–13 fiscal year. For purposes of this paragraph, a school district may include expenditures made by its county office of education within the school district for purposes of regional occupational centers or programs so long as the total amount of expenditures by the school district and the county office of education equal or exceed the total amount required to be expended for purposes of regional occupational centers or programs pursuant to this paragraph and paragraph (3) of subdivision (k) of Section 2575.

*(8) For the 2013–14 and 2014–15 fiscal years only, and for purposes of ensuring the continuity of essential induction and training services for beginning teachers, the Alameda County Superintendent of Schools shall withhold five hundred eighty-one thousand five hundred forty dollars (\$581,540) from the local control funding formula apportionments of the Newark Unified*

1 *School District, and from those withheld funds shall allocate the*  
2 *following amounts to the following entities:*

3 *(A) One hundred forty-seven thousand nine hundred dollars*  
4 *(\$147,920) to the Alameda Unified School District.*

5 *(B) One hundred four thousand dollars (\$104,000) to the San*  
6 *Leandro Unified School District.*

7 *(C) One hundred sixty-four thousand six hundred twenty dollars*  
8 *(\$164,620) to the Berkeley Unified School District.*

9 *(D) One hundred sixty-five thousand dollars (\$165,000) to the*  
10 *San Lorenzo Unified School District.*

11 *(b) Compute an annual local control funding formula transition*  
12 *adjustment for each school district and charter school as follows:*

13 *(1) Subtract the amount computed pursuant to paragraphs (1)*  
14 *to (4), inclusive, of subdivision (a) from the amount computed for*  
15 *each school district or charter school under the local control*  
16 *funding formula entitlements computed pursuant to Section*  
17 *42238.02. School districts and charter schools with a negative*  
18 *difference shall be deemed to have a zero difference.*

19 *(2) Each school district's and charter school's total need, as*  
20 *calculated pursuant to paragraph (1), shall be divided by the sum*  
21 *of all school districts' and charter schools' total need to determine*  
22 *the school district's or charter school's respective proportions of*  
23 *total need.*

24 *(3) (A) Each school district's and charter school's proportion*  
25 *of total need shall be multiplied by any available appropriations*  
26 *specifically made for purposes of this subdivision, and added to*  
27 *the school district's or charter school's funding amounts as*  
28 *calculated pursuant to subdivision (a).*

29 *(B) For purposes of subparagraph (A), the proportion of total*  
30 *need that is funded from any available appropriations specifically*  
31 *made for purposes of this subdivision for a fiscal year shall be*  
32 *considered fixed as of the second principal apportionment for that*  
33 *fiscal year. Adjustments to a school district's or charter school's*  
34 *total need, as computed pursuant to paragraph (1), subsequent to*  
35 *the second principal apportionment for a fiscal year, shall be*  
36 *funded based on the fixed proportion of total need that is funded*  
37 *for that fiscal year pursuant to this subdivision and shall be*  
38 *continuously appropriated pursuant to Section 14002.*

39 *(4) If the total amount of funds appropriated for purposes of*  
40 *paragraph (3) pursuant to this subdivision are sufficient to fully*



1 fund any positive amounts computed pursuant to paragraph (1),  
2 the local control funding formula grant computed pursuant to  
3 subdivision (c) of Section 42238.02 shall be adjusted to ensure  
4 that any available appropriation authority is expended for purposes  
5 of the local control funding formula.

6 (5) Commencing with the first fiscal year after either paragraph  
7 (4) of this subdivision or paragraph (2) of subdivision (g) applies,  
8 the adjustments in paragraph (2) of subdivision (d) of Section  
9 42238.02 shall be made only if an appropriation for those  
10 adjustments is included in the annual Budget Act.

11 (c) The Superintendent shall subtract from the amounts  
12 computed pursuant to subdivisions (a) and (b) the sum of the  
13 following:

14 (1) (A) For school districts, the property tax revenue received  
15 pursuant to Chapter 3.5 (commencing with Section 75) and Chapter  
16 6 (commencing with Section 95) of Part 0.5 of Division 1 of the  
17 Revenue and Taxation Code.

18 (B) For charter schools, the in-lieu property tax amount provided  
19 to a charter school pursuant to Section 47635.

20 (2) The amount, if any, received pursuant to Part 18.5  
21 (commencing with Section 38101) of Division 2 of the Revenue  
22 and Taxation Code.

23 (3) The amount, if any, received pursuant to Chapter 3  
24 (commencing with Section 16140) of Part 1 of Division 4 of Title  
25 2 of the Government Code.

26 (4) Prior years' taxes and taxes on the unsecured roll.

27 (5) Fifty percent of the amount received pursuant to Section  
28 41603.

29 (6) The amount, if any, received pursuant to the Community  
30 Redevelopment Law (Part 1 (commencing with Section 33000)  
31 of Division 24 of the Health and Safety Code), less any amount  
32 received pursuant to Section 33401 or 33676 of the Health and  
33 Safety Code that is used for land acquisition, facility construction,  
34 reconstruction, or remodeling, or deferred maintenance and that  
35 is not an amount received pursuant to Section 33492.15, or  
36 paragraph (4) of subdivision (a) of Section 33607.5, or Section  
37 33607.7 of the Health and Safety Code that is allocated exclusively  
38 for educational facilities.

(7) The amount, if any, received pursuant to Sections 34177, 34179.5, 34179.6, 34183, and 34188 of the Health and Safety Code.

(8) Revenue received pursuant to subparagraph (B) of paragraph (3) of subdivision (e) of Section 36 of Article XIII of the California Constitution.

(d) A school district or charter school that has a zero difference pursuant to paragraph (1) of subdivision (b) in the prior fiscal year shall receive an entitlement equal to the amount calculated pursuant to Section 42238.02 in the current fiscal year and future fiscal years.

(e) Notwithstanding the computations pursuant to subdivisions (b) to (d), inclusive, and Section 42238.02, commencing with the 2013–14 fiscal year, a school district or charter school shall receive state-aid funding of no less than the sum of the amounts computed pursuant to paragraphs (1) to (3), inclusive.

(1) (A) For school districts, revenue limits in the 2012–13 fiscal year as computed pursuant to Article 2 (commencing with Section 42238), as that article read on January 1, 2013, divided by the 2012–13 average daily attendance of the school district computed pursuant to Section 42238.05. That quotient shall be multiplied by the current fiscal year average daily attendance of the school district computed pursuant Section 42238.05. A school district's 2012–13 revenue limit funding shall exclude amounts computed pursuant to Article 4 (commencing with Section 42280). *For purposes of this subparagraph, 2012–13 fiscal year average daily attendance and 2012–13 fiscal year revenue limits shall be considered final as of the annual apportionment for the 2012–13 fiscal year, as calculated for purposes of the certification required on or before February 20, 2014, pursuant to Sections 41332 and 41339.*

(B) (i) For charter schools, general purpose funding in the 2012–13 fiscal year as computed pursuant to Article 2 (commencing with Section 47633) of Chapter 6 of Part 26.8 of Division 4, as that article read on January 1, 2013, and the amount of in-lieu property tax provided to the charter school in the 2012–13 fiscal year pursuant to Section 47635, as that section read on January 1, 2013, divided by the 2012–13 average daily attendance of the charter school computed pursuant to Section 42238.05. That quotient shall be multiplied by the current fiscal year average daily

1 attendance of the charter school computed pursuant to Section  
2 42238.05. *For purposes of this subparagraph, 2012–13 fiscal year*  
3 *average daily attendance and 2012–13 fiscal year general purpose*  
4 *funding, as computed pursuant to Article 2 (commencing with*  
5 *Section 47633) of Chapter 6 of Part 26.8 of Division 4, as that*  
6 *article read on January 1, 2013, shall be considered final as of*  
7 *the annual apportionment for the 2012–13 fiscal year, as calculated*  
8 *for purposes of the certification required on or before February*  
9 *20, 2014, pursuant to Sections 41332 and 41339.*

10 (ii) The amount computed pursuant to clause (i) shall exclude  
11 funds received by a charter school pursuant to Section 47634.1,  
12 as that section read on January 1, 2013.

13 (C) The amount computed pursuant to subparagraph (A) shall  
14 exclude funds received pursuant to Section 47633, as that section  
15 read on January 1, 2013.

16 (D) For school districts, the 2012–13 funding allowance  
17 provided for qualifying necessary small high schools and necessary  
18 small elementary schools pursuant to Article 4 (commencing with  
19 Section 42280) and Section 42238.146, as those provisions read  
20 on January 1, 2013.

21 (E) The amount computed pursuant to subparagraphs (A) to  
22 (D), inclusive, shall be reduced by the sum of the amount computed  
23 pursuant to paragraphs (1) to (8), inclusive, of subdivision (c).

24 (2) (A) Entitlements from items contained in Section 2.00, as  
25 adjusted pursuant to Section 12.42, of the Budget Act of 2012 for  
26 Items 6110-104-0001, 6110-105-0001, 6110-108-0001,  
27 6110-111-0001, 6110-124-0001, 6110-128-0001, 6110-137-0001,  
28 6110-144-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001,  
29 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001,  
30 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001,  
31 6110-211-0001, 6110-212-0001, 6110-227-0001, 6110-228-0001,  
32 6110-232-0001, 6110-240-0001, 6110-242-0001, 6110-243-0001,  
33 6110-244-0001, 6110-245-0001, 6110-246-0001, 6110-247-0001,  
34 6110-248-0001, 6110-260-0001, 6110-265-0001, 6110-267-0001,  
35 6110-268-0001, 6360-101-0001, 2012–13 fiscal year funding for  
36 the Class Size Reduction Program pursuant to Chapter 6.10  
37 (commencing with Section 52120) of Part 28 of Division 4, as it  
38 read on January 1, 2013, and 2012–13 fiscal year funding for pupils  
39 enrolled in community day schools who are mandatorily expelled  
40 pursuant to subdivision (d) of Section 48915. ~~Notwithstanding~~

~~Section 39 of Chapter 38 of the Statutes of 2012, the~~ *The*  
entitlement for basic aid school districts shall include the reduction  
of 8.92 percent as applied pursuant to subparagraph (A) of  
paragraph (1) of subdivision (a) of ~~Section 3 of Chapter 2~~ *Section*  
*89 of Chapter 38 of the Statutes of 2012. For purposes of this*  
*subparagraph, 2012–13 fiscal year entitlements shall be considered*  
*final as of the annual apportionment for the 2012–13 fiscal year,*  
*as calculated for purposes of the certification required on or before*  
*February 20, 2014, pursuant to Sections 41332 and 41339.*

*(B) Commencing with the 2014–15 fiscal year, the entitlements*  
*identified in subparagraph (A) shall be adjusted to reflect the*  
*exclusion of one-time redevelopment agency liquid asset recovery*  
*revenue, pursuant to Section 34179.5 and following, of the Health*  
*and Safety Code, before the application of the 8.92-percent*  
*reduction applied pursuant to subparagraph (A) of paragraph (1)*  
*of subdivision (a) of Section 3 of Chapter 2 of the Statutes of 2012.*

~~(B)~~

*(C) The Superintendent shall annually apportion any entitlement*  
*provided to the state special schools from the items specified in*  
*subparagraph (A) to the state special schools in the same amount*  
*as the state special schools received from those items in the*  
*2012–13 fiscal year.*

*(3) The allocations pursuant to Sections 42606 and 47634.1, as*  
*those sections read on January 1, 2013, divided by the 2012–13*  
*average daily attendance of the charter school. That quotient shall*  
*be multiplied by the current fiscal year average daily attendance*  
*of the charter school.*

*(f) (1) For purposes of this section, commencing with the*  
*2013–14 fiscal year and until all school districts and charter schools*  
*equal or exceed their local control funding formula target computed*  
*pursuant to Section 42238.02, as determined by the calculation of*  
*a zero difference pursuant to paragraph (1) of subdivision (b), a*  
*newly operational charter school shall be determined to have a*  
*prior year per average daily attendance funding amount equal to*  
*the lesser of:*

*(A) The prior year funding amount per unit of average daily*  
*attendance for the school district in which the charter school is*  
*physically located. The Superintendent shall calculate the funding*  
*amount per unit of average daily attendance for this purpose by*  
*dividing the total local control funding formula entitlement,*

1 calculated pursuant to subdivisions (a) and (b), received by that  
2 school district in the prior year by prior year funded average daily  
3 attendance of that school district. For purposes of this  
4 subparagraph, a charter school that is physically located in more  
5 than one school district shall use the calculated local control  
6 funding entitlement per unit of average daily attendance of the  
7 school district with the highest prior year funding amount per unit  
8 of average daily attendance. *For purposes of this subparagraph,*  
9 *the prior year funding amount per unit of average daily attendance*  
10 *for the school district in which the charter school is physically*  
11 *located shall be considered final as of the second principal*  
12 *apportionment of the prior fiscal year.*

13 (B) The charter school's local control funding formula rate  
14 computed pursuant to subdivisions (c) to (i), inclusive, of Section  
15 42238.02.

16 (2) For charter schools funded pursuant to paragraph (1), the  
17 charter school shall be eligible to receive growth funding pursuant  
18 to subdivision (b) toward meeting the newly operational charter  
19 school's local control funding formula target.

20 (3) Upon a determination that all school districts and charter  
21 schools equal or exceed the local control funding formula target  
22 computed pursuant to Section 42238.02, as determined by the  
23 calculation of a zero difference pursuant to paragraph (1) of  
24 subdivision (b) for all school districts and charter schools, this  
25 subdivision shall not apply and the charter school shall receive an  
26 allocation equal to the amount calculated under Section 42238.02  
27 in that fiscal year and future fiscal years.

28 (4) *For purposes of this subdivision, the determination of a*  
29 *charter school's physical location shall be considered final as of*  
30 *the second principal apportionment for the applicable fiscal year.*

31 (g) (1) In each fiscal year the Superintendent shall determine  
32 the percentage of school districts that are apportioned funding  
33 pursuant to this section that is less than the amount computed  
34 pursuant to Section 42238.02 as of the second principal  
35 apportionments of the fiscal year. If the percentage is less than 10  
36 percent, the Superintendent shall apportion funding to school  
37 districts and charter schools equal to the amount computed pursuant  
38 to Section 42238.02 in that fiscal year.

(2) For each fiscal year thereafter, the Superintendent shall apportion funding to a school district and charter school equal to the amount computed pursuant to Section 42238.02.

*SEC. 23. Section 42238.05 of the Education Code is amended to read:*

42238.05. (a) For purposes of Sections 42238.02, 42238.025, and 42238.03, the fiscal year average daily attendance for a school district shall be computed pursuant to paragraphs (1) to (3), inclusive, as applicable.

(1) The second principal apportionment regular average daily attendance for either the current or prior fiscal year, whichever is greater, excluding units of average daily attendance resulting from pupils attending schools funded pursuant to Article 4 (commencing with Section 42280).

(2) The units of average daily attendance resulting from pupils attending schools funded pursuant to Article 4 (commencing with Section 42280).

(3) Prior fiscal year average daily attendance shall be adjusted for any loss or gain of average daily attendance due to a reorganization or transfer of territory.

(b) For purposes of this article, regular average daily attendance shall be the base grant average daily attendance.

(c) For purposes of this section, the Superintendent shall distribute total ungraded enrollment and average daily attendance among kindergarten and each of grades 1 to 12, inclusive, in proportion to the amounts of graded enrollment and average daily attendance, respectively, in each of these grades.

(d) Subdivisions (a) to (c), inclusive, shall only apply to average daily attendance generated by school districts and shall not apply to average daily attendance generated by charter schools.

(e) A pupil shall not be counted more than once for purposes of calculating average daily attendance pursuant to this section.

(f) For purposes of Sections 42238.02, 42238.025, and 42238.03, average daily attendance for a charter school shall be the total current year average daily attendance in the corresponding grade level ranges for the charter school as computed pursuant to Section 47634.3, school.

*SEC. 24. Section 42238.055 is added to the Education Code, to read:*

1 42238.055. (a) Sections 42238.051 and 42238.052 do not  
2 apply to resident pupils in charter schools operating under the  
3 districtwide charter of a school district that has converted all of  
4 its schools to charter status pursuant to Section 47606.

5 (b) For purposes of this section, “resident pupils” means pupils  
6 who reside in, and are otherwise eligible to attend, a school in the  
7 specified school district.

8 SEC. 25. Section 42238.18 of the Education Code is amended  
9 to read:

10 42238.18. (a) Notwithstanding any other ~~provision of law,~~  
11 only those pupils enrolled in county office of education programs  
12 while detained in a juvenile hall, juvenile home, day center,  
13 juvenile ranch, juvenile camp, or regional youth educational facility  
14 established pursuant to Article 23 (commencing with Section 850),  
15 Article 24 (commencing with Section 880), and Article 24.5  
16 (commencing with Section 894) of Chapter 2 of Part 1 of Division  
17 2 of the Welfare and Institutions Code shall be counted as juvenile  
18 court school pupils. For purposes of apportionments, those pupils  
19 in a group home housing 25 or more children placed pursuant to  
20 Sections 362, 727, and 730 of the Welfare and Institutions Code  
21 or in any group home housing 25 or more children and operating  
22 one or more additional sites under a central administration for  
23 children placed pursuant to Section 362, 727, or 730 of the Welfare  
24 and Institutions Code shall be reported as county group home and  
25 institutions pupils to the Superintendent and shall be counted as  
26 juvenile court school pupils for purposes of apportionments.

27 ~~(b) Notwithstanding any other provision of law, any county~~  
28 ~~superintendent of schools operating juvenile court schools, county~~  
29 ~~group home and institutions schools, or community schools, or~~  
30 ~~any combination of these schools shall maintain an account in their~~  
31 ~~general fund to be known as the juvenile court and community~~  
32 ~~school account, and shall deposit all funds derived from the~~  
33 ~~operation of juvenile court, county group home and institutions~~  
34 ~~schools, and community schools into that account. Expenditures~~  
35 ~~from the juvenile court and community school account shall be~~  
36 ~~limited to the following:~~

37 ~~(1) Those expenditures defined as direct costs of instructional~~  
38 ~~programs by the California State School Accounting Manual,~~  
39 ~~except that facility costs, including the costs of renting, leasing,~~  
40 ~~purchasing, remodeling, constructing, or improving buildings and~~

1 the costs of purchasing or improving land, shall be allowed as an  
2 instructional cost in the juvenile court and community school fund.  
3 ~~Deferred maintenance contributions made pursuant to Section~~  
4 ~~17584 may also be allowed as an instructional cost of juvenile~~  
5 ~~court and county community school programs, provided the~~  
6 ~~contribution does not exceed the program's proportionate share~~  
7 ~~of total county school service fund expenditures as defined in~~  
8 ~~Section 17584, and provided the funds are used for deferred~~  
9 ~~maintenance of juvenile court and county community school~~  
10 ~~facilities.~~

11 (2) ~~Expenditures that are defined as documented direct support~~  
12 ~~costs by the California State School Accounting Manual.~~

13 (3) ~~Expenditures that are defined as allocated direct support~~  
14 ~~costs by the California State School Accounting Manual.~~

15 (4) ~~Other expenditures for support and indirect charges.~~  
16 ~~However, these charges may not exceed 10 percent of the sum of~~  
17 ~~the expenditures in paragraphs (1), (2), and (3).~~

18 ~~Expenditures that represent contract payments to other agencies~~  
19 ~~for the operation of juvenile court and community school programs~~  
20 ~~shall be included in the juvenile court and community school~~  
21 ~~account and the contract costs distributed to the cost categories~~  
22 ~~defined in paragraphs (1), (2), (3), and (4). At the end of any given~~  
23 ~~school year the net ending balance in the juvenile court and~~  
24 ~~community school account may be distributed to a reserved account~~  
25 ~~for economic contingencies or to a reserved account for capital~~  
26 ~~outlay, provided that the combined total transferred does not exceed~~  
27 ~~15 percent of the current year's authorized expenditures as specified~~  
28 ~~above and also provided that funds placed in the reserved accounts~~  
29 ~~shall only be expended for juvenile court, county group home and~~  
30 ~~institutions, or community school programs. The net ending~~  
31 ~~balance, except for those funds placed in a capital outlay fund,~~  
32 ~~shall not exceed the greater of 15 percent of the previous year's~~  
33 ~~expenditures or twenty-five thousand dollars (\$25,000). A county~~  
34 ~~may accumulate over a period of two or more given school years~~  
35 ~~a net ending balance in the capital outlay reserved account of more~~  
36 ~~than 15 percent of the current fiscal year's expenditures under~~  
37 ~~provisions of a resolution of the governing board. Funds in the~~  
38 ~~capital outlay reserve are to be used for capital outlay only. The~~  
39 ~~Superintendent shall require an annual certification by county~~  
40 ~~superintendents of schools beginning in the 1989-90 fiscal year~~



1 ~~that juvenile court, county group home and institutions, and~~  
2 ~~community school funds have been expended as provided in this~~  
3 ~~section and shall withhold from the subsequent year's~~  
4 ~~apportionment an amount equal to any excess ending balance or~~  
5 ~~excess transfers, as provided in this subdivision, in the juvenile~~  
6 ~~court and community school account.~~

7 (e)

8 (b) Notwithstanding any other ~~provision of law~~, pupils who are  
9 referred by the county probation department under Section 601 or  
10 654 of the Welfare and Institutions Code, shall be enrolled and  
11 eligible for apportionments in county community schools only  
12 after an individualized review and certification of the  
13 appropriateness of enrollment in the county group home and  
14 institution's school or county community school. The  
15 individualized review shall include representatives of the court,  
16 the county ~~department~~ office of education, the county probation  
17 department, and either the school district of residence or, in cases  
18 in which the pupil resides in a group home or institution, the school  
19 district in which the group home or institution is located, and, in  
20 each case, the school district representative shall agree to the  
21 appropriateness of the proposed placement and pupils so placed  
22 shall have a probation officer assigned to their case.

23 (d)

24 (c) Regardless of the operative date of the amendments to this  
25 section made during the 1997 portion of the 1997–98 Regular  
26 Session, this section, as so amended, shall be implemented as  
27 though it had been operative on July 1, 1996. For the purpose of  
28 implementing this section for the entire 1996–97 fiscal year, the  
29 Superintendent and other public officers shall take all necessary  
30 steps to effect the required adjustments and shall have authority  
31 to adjust allowance computations, apportionments, and  
32 disbursements ordered from Section A of the State School Fund  
33 and other public funds.

34 (d) *Notwithstanding any other law, on or after July 1, 2013, a*  
35 *county office of education may expend funds previously deposited*  
36 *in the capital outlay reserve established pursuant to former*  
37 *paragraph (4) of subdivision (b) of this section, as this section*  
38 *read on June 30, 2013, for any of the purposes specified in the*  
39 *local control and accountability plan adopted pursuant to Section*  
40 *52066.*

1     *SEC. 26. Section 42238.20 of the Education Code is amended*  
2     *to read:*

3     42238.20. (a) Notwithstanding any other law, commencing in  
4     with the 2008–09 fiscal year, the minimum schoolday for a pupil  
5     concurrently enrolled in regular secondary school classes and  
6     classes operating pursuant to a joint powers agreement that became  
7     effective before January 1, 2008, is 180 minutes. These regular  
8     secondary school classes constitute regular school classes for the  
9     purposes of Section 46010.3.

10    (b) For a pupil described in subdivision (a), the average daily  
11    attendance shall be included as school district average daily  
12    attendance computed pursuant to Section ~~42238.5~~. 42238.05.

13    (c) For purposes of computing attendance pursuant to Section  
14    46300 or any other law, immediate supervision and control of  
15    pupils while attending classes pursuant to a joint powers agreement  
16    described in subdivision (a) is deemed satisfied regardless of the  
17    school district employing the certificated employee providing the  
18    supervision and control, provided the school district is a party to  
19    the joint powers agreement.

20    (d) This section shall become inoperative on July 1, 2017, and,  
21    as of January 1, 2018, is repealed, unless a later enacted statute,  
22    that becomes operative on or before January 1, 2018, deletes or  
23    extends the dates on which it becomes inoperative and is repealed.

24    *SEC. 27. Section 42238.53 of the Education Code is repealed.*

25    ~~42238.53. (a) Sections 42238.51 and 42238.52 do not apply~~  
26    ~~to resident pupils in charter schools operating under the districtwide~~  
27    ~~charter of a district that has converted all of its schools to charter~~  
28    ~~status pursuant to Section 47606 and has elected not to be funded~~  
29    ~~pursuant to Article 2 (commencing with Section 47633) of Chapter~~  
30    ~~6 of Part 26.~~

31    ~~(b) For the purposes of this section, “resident pupils” means~~  
32    ~~pupils who reside in, and are otherwise eligible to attend, a school~~  
33    ~~in the specified district.~~

34    *SEC. 28. Section 42284 of the Education Code is amended to*  
35    *read:*

36    42284. (a) For each school district with fewer than 2,501 units  
37    of average daily attendance, on account of each necessary small  
38    high school, the ~~county superintendent of schools~~ Superintendent  
39    shall make one of the following computations selected with regard

only to the number of certificated employees employed or average daily attendance, whichever provides the lesser amount:

Average daily attendance	Minimum number of certificated employees	Amount to be computed
1– 19 .....	less than 3	\$42,980 per teacher
1– 19 .....	3	191,340
20– 38 .....	4	234,320
39– 57 .....	5	277,300
58– 71 .....	6	320,280
72– 86 .....	7	363,260
87– 100 .....	8	406,240
101–114 .....	9	449,220
115–129 .....	10	492,200
130–143 .....	11	535,180
144–171 .....	12	578,160
172–210 .....	13	621,140
211–248 .....	14	664,120
249–286 .....	15	707,100

(b) For purposes of this section, a “certificated employee” means an equivalent full-time position of an individual holding a credential authorizing service and providing service in grades 9 to 12, inclusive, in any secondary school. Any fraction of an equivalent full-time position remaining after all equivalent full-time positions for certificated employees within the school district have been calculated shall be deemed to be a full-time position.

(c) A school district that qualifies under this section may use the funding calculation as provided in this section until the local control funding formula allocation pursuant to Section 42238.02, as implemented by Section 42238.03, per unit of average daily attendance multiplied by the average daily attendance produces state aid equal to the funding provided under this section.

*SEC. 29. Section 42285 of the Education Code is amended to read:*

42285. (a) For purposes of Section 42284, a necessary small high school is a high school with an average daily attendance of

1 less than 287 *pupils* that comes within any of the following  
2 conditions:

3 (1) The projection of its future enrollment on the basis of the  
4 enrollment of the elementary schools in the school district shows  
5 that within eight years the enrollment in high school in grades 9  
6 to 12, inclusive, will exceed 286 pupils.

7 (2) Any one of the following combinations of distance and units  
8 of average daily attendance applies:

9 (A) The high school had an average daily attendance of less  
10 than 96 *pupils* in grades 9 to 12, inclusive, during the preceding  
11 fiscal year and is more than 15 miles by well-traveled road from  
12 the nearest other public high school and either 90 percent of the  
13 pupils would be required to travel 20 miles or 25 percent of the  
14 pupils would be required to travel 30 miles one way from a point  
15 on a well-traveled road nearest their homes to the nearest other  
16 public high school.

17 (B) The high school had an average daily attendance of 96 *pupils*  
18 or more and less than 144 *pupils* in grades 9 to 12, inclusive, during  
19 the preceding fiscal year and is more than 10 miles by well-traveled  
20 road from the nearest other public high school and either 90 percent  
21 of the pupils would be required to travel 18 miles or 25 percent of  
22 the pupils would be required to travel 25 miles one way from a  
23 point on a well-traveled road nearest their homes to the nearest  
24 other public high school.

25 (C) The high school had an average daily attendance of 144  
26 *pupils* or more and less than 192 *pupils* in grades 9 to 12, inclusive,  
27 during the preceding fiscal year and is more than 7½ miles by  
28 well-traveled road from the nearest other public high school and  
29 either 90 percent of the pupils would be required to travel 15 miles  
30 or 25 percent of the pupils would be required to travel 20 miles  
31 one way from a point on a well-traveled road nearest their homes  
32 to the nearest other public high school.

33 (D) The high school had an average daily attendance of 192  
34 *pupils* or more and less than 287 *pupils* in grades 9 to 12, inclusive,  
35 during the preceding fiscal year and is more than 5 miles by  
36 well-traveled road from the nearest other public high school and  
37 either 90 percent of the pupils would be required to travel 10 miles  
38 or 25 percent of the pupils would be required to travel 15 miles to  
39 the nearest other public high school.

(3) Topographical or other conditions exist in the school district which would impose unusual hardships on the pupils if the number of miles specified ~~above in paragraph (2)~~ were required to be traveled. In these cases, the Superintendent may, when requested, and after investigation, grant exceptions from the distance requirements.

(4) The Superintendent has approved the recommendation of a county committee on school district organization designating one of two or more schools as necessary isolated schools in a situation where the schools are operated by two or more school districts and the average daily attendance of each of the schools is less than 287 pupils in grades 9 to 12, inclusive.

(b) For purposes of Section 42284, a necessary small high school also includes ~~a high school maintained by a school district for the exclusive purpose of educating juvenile hall pupils or pupils with exceptional needs; any of the following:~~

*(1) A high school maintained by a school district for the exclusive purpose of educating juvenile hall pupils or pupils with exceptional needs.*

*(2) A high school maintained by a county office of education for the exclusive purpose of educating foster youth if the high school provided instruction in the 2012–13 fiscal year and the high school is the only one maintained by the county office of education that exclusively educates foster youth. Notwithstanding Section 42286, this paragraph shall become inoperative on July 1, 2017.*

*(3) A high school maintained by a unified school district as the only comprehensive high school if the high school has an average daily attendance of less than 286 pupils and the school district has 50 or fewer pupils per square mile of school district territory, as measured by the number of pupils residing in the school district. Notwithstanding Section 42286, this paragraph shall become inoperative on July 1, 2017.*

(c) For purposes of Section 42284, a necessary small high school does not include a continuation school.

(d) For purposes of this section, “other public high school” is a public school, including a charter school, that serves any of grades 9 to 12, inclusive.

*SEC. 30. Section 46200.5 of the Education Code is repealed.*

~~46200.5. (a) In the 1985–86 fiscal year, for each county office of education that certifies to the Superintendent of Public Instruction that it offers 180 days or more of instruction per school year of special day classes pursuant to Section 56364.2, the Superintendent of Public Instruction shall determine an amount equal to seventy dollars (\$70) per unit of current year second principal apportionment average daily attendance for special day classes. This computation shall be included in computations made by the superintendent pursuant to Chapter 7.2 (commencing with Section 56836) of Part 30.~~

~~(b) For any county office of education that received an apportionment pursuant to subdivision (a) and that offered less than 180 days of instruction in the 1986–87 fiscal year, to the 2000–01 fiscal year, inclusive, and that does not provide the minimum number of instructional minutes specified in subdivision (a) of Section 46201 for that fiscal year, the Superintendent of Public Instruction shall reduce the special education apportionment per unit of average daily attendance for that fiscal year by an amount attributable to the increase received pursuant to subdivision (a), as adjusted in fiscal years subsequent to the 1985–86 fiscal year.~~

~~(c) For any county office of education that receives an apportionment pursuant to subdivision (a) and that offers less than 180 days of instruction or in multitrack year-round schools a minimum of 163 days, in the 2001–02 fiscal year, or any fiscal year thereafter, the Superintendent of Public Instruction shall withhold from the county office of education's revenue limit apportionment for the average daily attendance of each affected grade level the sum of 0.0056 multiplied by that apportionment, for each day less than 180 or, in multitrack year-round schools, for each day less than 163, that the county office of education offered.~~

~~(d) For any county office of education that received an apportionment pursuant to subdivision (a) and that offered less than 180 days of instruction as required in subdivision (a) in the 1986–87 fiscal year, to either the end of the final year of the teacher bargaining unit contract in force in that county office on January 1, 2002, inclusive, or, if no teacher bargaining unit contract was in force in that county office on January 1, 2002, to the end of the 2001–02 fiscal year, inclusive, and that provided the minimum~~

~~number of instructional minutes in subdivision (a) of Section 46201.5 during all of the period applicable to the county office pursuant to this subdivision, subdivision (c) does not apply until the first fiscal year following the end of the applicable period of years.~~

*SEC. 31. Section 46200.5 is added to the Education Code, to read:*

*46200.5. For a county office of education that received an apportionment pursuant to former subdivision (c) of this section, as it read on January 1, 2013, and that offers fewer than 180 days of instruction, or, in multitrack year-round schools, fewer than the 163 days of instruction, as required in former subdivision (c) of this section, as it read on January 1, 2013, in the 2013–14 fiscal year or any fiscal year thereafter, the Superintendent shall withhold from the county superintendent of schools’ local control funding formula alternative education grant computed pursuant to Section 2574, as apportioned pursuant to Section 2575, for the average daily attendance of each affected grade level, the product of 0.0056 multiplied by that apportionment for each day less than what was required to avoid a reduction pursuant to this section, as it read on January 1, 2013, up to a maximum of five days.*

*SEC. 32. Section 46201.5 of the Education Code is repealed.*

~~46201.5. (a) In each of the 1985–86 and 1986–87 fiscal years, for each county office of education that certifies to the Superintendent of Public Instruction that, for special day classes pursuant to Section 56364.2, it offers at least the amount of instructional time specified in this subdivision, the Superintendent of Public Instruction shall determine an amount equal to eighty dollars (\$80) in the 1985–86 fiscal year and forty dollars (\$40) in the 1986–87 fiscal year per unit of current year second principal apportionment average daily attendance for special day classes in kindergarten and grades 1 to 8, inclusive, and one hundred sixty dollars (\$160) in the 1985–86 fiscal year and eighty dollars (\$80) in the 1986–87 fiscal year per unit of current year second principal apportionment average daily attendance for special day classes in grades 9 to 12, inclusive.~~

~~This computation shall be included in computations made by the superintendent pursuant to Article 2 (commencing with Section 56836.06) of Chapter 7.2 of Part 30.~~

~~(1) In the 1985–86 fiscal year:~~

- 1   ~~(A) 34,500 minutes in kindergarten.~~  
2   ~~(B) 47,016 minutes in grades 1 to 3, inclusive.~~  
3   ~~(C) 50,000 minutes in grades 4 to 8, inclusive.~~  
4   ~~(D) 57,200 minutes in grades 9 to 12, inclusive.~~

5   ~~(2) In the 1986–87 fiscal year:~~

- 6   ~~(A) 36,000 minutes in kindergarten.~~  
7   ~~(B) 50,400 minutes in grades 1 to 3, inclusive.~~  
8   ~~(C) 54,000 minutes in grades 4 to 8, inclusive.~~  
9   ~~(D) 64,800 minutes in grades 9 to 12, inclusive.~~

10   ~~(b) Each county office of education that receives an~~  
11   ~~apportionment pursuant to subdivision (a) in a fiscal year shall, in~~  
12   ~~the subsequent fiscal year, add the amount received per pupil to~~  
13   ~~the county office's base special education apportionment.~~

14   ~~(c) For each county office of education that receives an~~  
15   ~~apportionment pursuant to subdivision (a) in the 1985–86 fiscal~~  
16   ~~year, and that reduces the amount of instructional time offered~~  
17   ~~below the minimum amounts specified in paragraph (1) of~~  
18   ~~subdivision (a) in the 1986–87 fiscal year, or any fiscal year~~  
19   ~~thereafter, up to and including the 2000–01 fiscal year, the~~  
20   ~~Superintendent of Public Instruction shall reduce the special~~  
21   ~~education apportionment for the fiscal year in which the reduction~~  
22   ~~occurs by an amount attributable to the increase in the 1986–87~~  
23   ~~fiscal year special education apportionment pursuant to subdivision~~  
24   ~~(b), as adjusted in the 1986–87 fiscal year and fiscal years~~  
25   ~~thereafter.~~

26   ~~(d) For each county office of education that receives an~~  
27   ~~apportionment pursuant to subdivision (a) in the 1986–87 fiscal~~  
28   ~~year and that reduces the amount of instructional time offered~~  
29   ~~below the minimum amounts specified in paragraph (2) of~~  
30   ~~subdivision (a) in the 1987–88 fiscal year, or any fiscal year~~  
31   ~~thereafter, up to and including the 2000–01 fiscal year, the~~  
32   ~~superintendent shall reduce the special education apportionment~~  
33   ~~for the fiscal year in which the reduction occurs by an amount~~  
34   ~~attributable to the increase in the 1987–88 fiscal year special~~  
35   ~~education apportionment pursuant to subdivision (b), as adjusted~~  
36   ~~in the 1987–88 fiscal year and fiscal years thereafter.~~

37   ~~(e) For each county office of education that receives an~~  
38   ~~apportionment pursuant to subdivision (a) in the 1986–87 fiscal~~  
39   ~~year and that reduces the amount of instructional time offered~~  
40   ~~below the minimum amounts specified in paragraph (2) of~~



1 ~~subdivision (a) in the 2001-02 fiscal year, or any fiscal year~~  
2 ~~thereafter, the Superintendent of Public Instruction shall withhold~~  
3 ~~from the special education apportionment for the average daily~~  
4 ~~attendance of each affected grade level, the sum of that~~  
5 ~~apportionment multiplied by the percentage of the minimum~~  
6 ~~offered minutes at that grade level that the county office of~~  
7 ~~education failed to offer.~~

8 *SEC. 33. Section 46201.5 is added to the Education Code, to*  
9 *read:*

10 *46201.5. (a) For a county office of education that received an*  
11 *apportionment pursuant to former subdivision (a) of this section,*  
12 *as it read on January 1, 2013, and that reduces the amount of*  
13 *instructional time offered below the minimum amounts specified*  
14 *in subdivision (b), the Superintendent shall withhold from the*  
15 *county superintendent of schools' county local control funding*  
16 *formula grant apportionment computed pursuant to Section 2574,*  
17 *as apportioned pursuant to Section 2575, for the average daily*  
18 *attendance of each affected grade level, the product of that*  
19 *apportionment multiplied by the percentage of the minimum*  
20 *required minutes at that grade level that the county office of*  
21 *education failed to offer.*

22 *(b) Commencing with the 2013-14 fiscal year, a county office*  
23 *of education shall, at a minimum, offer the following amount of*  
24 *instructional time:*

25 *(1) Thirty-six thousand minutes in kindergarten.*

26 *(2) Fifty thousand four hundred minutes in grades 1 to 3,*  
27 *inclusive.*

28 *(3) Fifty-four thousand minutes in grades 4 to 8, inclusive.*

29 *(4) Sixty-four thousand eight hundred minutes in grades 9 to*  
30 *12, inclusive.*

31 *SEC. 34. Section 46380 of the Education Code is amended to*  
32 *read:*

33 *46380. The average daily attendance for the fiscal year of pupils*  
34 *residing in any a county of this state and attending a school in an*  
35 *adjoining state under Article 1 (commencing with Section 2000)*  
36 *of Chapter 7 of Part 2 of Division 1 of Title 1 shall be computed*  
37 *by dividing the total number of days of attendance of the pupils*  
38 *in the school by the number of days the school was maintained*  
39 *during that fiscal year, but by not less than 175, and the average*

1 ~~daily attendance so computed shall be credited to the county school~~  
2 ~~tuition fund: 175.~~

3 *SEC. 35. Section 46610 of the Education Code is amended to*  
4 *read:*

5 46610. (a) (1) Notwithstanding any other ~~provision of law,~~  
6 the Fallbrook Union High School District shall enter into an  
7 interdistrict attendance agreement with the Capistrano Unified  
8 School District to allow any pupil, at the request of his or her parent  
9 or guardian, to attend schools of the Capistrano Unified School  
10 District when the pupil resides in the San Onofre housing area of  
11 the Marine Corps Base, Camp Joseph H. Pendleton. No more than  
12 150 pupils from the Fallbrook Union High School District may  
13 attend school in the Capistrano Unified School District pursuant  
14 to this interdistrict attendance agreement.

15 ~~The~~

16 (2) *The* Fallbrook Union High School District shall be credited  
17 with the average daily attendance of these pupils *solely* ~~for the~~  
18 ~~purpose of determining state apportionments and revenue limits~~  
19 ~~and for the purpose~~ *purposes* of receiving federal grants pursuant  
20 to Public Law 81-874.

21 ~~The~~

22 (b) *The* Fallbrook Union High School District shall pay tuition  
23 to the Capistrano Unified School District for the attendance of  
24 these pupils only in the amount ~~of the state apportionments paid~~  
25 ~~to the Fallbrook Union High School District for the attendance of~~  
26 ~~these pupils, plus an amount~~ *computed pursuant to paragraphs*  
27 *(1) and (2), as follows:*

28 (a)

29 (1) Divide the amount of funds paid pursuant to Section 3 of  
30 Public Law 81-874 (20 U.S.C. 238) to the Fallbrook Union High  
31 School District in the current fiscal year by the average daily  
32 attendance of the *school* district in the current fiscal year.

33 (b)

34 (2) Multiply the amount in subdivision (a) by the average daily  
35 attendance, for the year of attendance for secondary school pupils  
36 attending the schools of the Capistrano Unified School District  
37 pursuant to Section 46610.

38 (c) *Notwithstanding any other law, the amount provided to the*  
39 *Fallbrook Union High School District and the Capistrano Unified*  
40 *School District for the 2012–13 fiscal year pursuant to this section*

1 *and Section 46111, as these sections read on June 1, 2013, shall*  
2 *be included in the computations made pursuant to paragraph (2)*  
3 *of subdivision (a) of Section 42238.025, paragraph (2) of*  
4 *subdivision (a) of Section 42238.03, and paragraph (2) of*  
5 *subdivision (e) of Section 42238.03. For purposes of calculating*  
6 *funding pursuant to subdivisions (a) and (e) of Section 42238.03,*  
7 *the school district of residence shall be credited with the 2012–13*  
8 *fiscal year revenue limit funding received for the pupils reported*  
9 *pursuant to this section after accounting for the amount of tuition*  
10 *paid to the school district of attendance. For purposes of*  
11 *calculating funding pursuant to subdivisions (a) and (e) of Section*  
12 *42238.03, the school district of attendance shall be credited with*  
13 *the average daily attendance of the pupils reported pursuant to*  
14 *this section in the 2012–13 fiscal year, and the tuition received by*  
15 *the school district of residence pursuant to this section and Section*  
16 *46611, as these sections read on March 1, 2014.*

17 *SEC. 36. Section 46611 of the Education Code is repealed.*

18 ~~46611. (a) When an interdistrict attendance agreement is~~  
19 ~~entered into pursuant to Section 46610, the Superintendent of~~  
20 ~~Public Instruction shall apportion from Section A of the State~~  
21 ~~School Fund to the Capistrano Unified School District the~~  
22 ~~allowance computed in subdivision (b) for educating secondary~~  
23 ~~school pupils attending pursuant to the agreement during the year~~  
24 ~~the pupils are in attendance in that district reduced by the amounts~~  
25 ~~payable to Capistrano Unified School District by the Fallbrook~~  
26 ~~Union High School District pursuant to Section 46610.~~

27 ~~(b) The Superintendent of Public Instruction shall compute an~~  
28 ~~allowance for educating secondary school pupils, as follows:~~

29 ~~(1) Compute, for the year of attendance, the statewide average~~  
30 ~~revenue limit per unit of average daily attendance for high school~~  
31 ~~districts with more than 300 units of average daily attendance.~~

32 ~~(2) From the amount in paragraph (1), subtract one hundred~~  
33 ~~dollars (\$100).~~

34 ~~(3) Multiply the amount in paragraph (2) by the average daily~~  
35 ~~attendance, for the year of attendance, for secondary school pupils~~  
36 ~~attending the schools of the Capistrano Unified School District~~  
37 ~~pursuant to Section 46610.~~

38 *SEC. 37. Section 47605.1 of the Education Code is amended*  
39 *to read:*

1 47605.1. (a) (1) Notwithstanding any other ~~provision of law~~,  
2 a charter school that is granted a charter from the governing board  
3 of a school district or county office of education after July 1, 2002,  
4 and commences providing educational services to pupils on or  
5 after July 1, 2002, shall locate in accordance with the geographic  
6 and site limitations of this part.

7 (2) Notwithstanding any other ~~provision of law~~, a charter school  
8 that is granted a charter by the ~~State Board of Education~~ *state*  
9 *board* after July 1, 2002, and commences providing educational  
10 services to pupils on or after July 1, 2002, based on the denial of  
11 a petition by the governing board of a school district or county  
12 board of education, as described in paragraphs (1) and (2) of  
13 subdivision (j) of Section 47605, may locate only within the  
14 geographic boundaries of the chartering entity that initially denied  
15 the petition for the charter.

16 (3) A charter school that receives approval of its charter from  
17 a governing board of a school district, a county office of education,  
18 or the ~~State Board of Education~~ *prior to state board before* July 1,  
19 2002, but does not commence operations until after January 1,  
20 2003, shall be subject to the geographic limitations of the part, in  
21 accordance with subdivision (e).

22 (b) Nothing in this section is intended to affect the admission  
23 requirements contained in subdivision (d) of Section 47605.

24 (c) Notwithstanding any other ~~provision, law~~, a charter school  
25 may establish a resource center, meeting space, or other satellite  
26 facility located in a county adjacent to that in which the charter  
27 school is authorized if the following conditions are met:

28 (1) The facility is used exclusively for the educational support  
29 of pupils who are enrolled in nonclassroom-based independent  
30 study of the charter school.

31 (2) The charter school provides its primary educational services  
32 in, and a majority of the pupils it serves are residents of, the county  
33 in which the school is authorized.

34 (d) Notwithstanding subdivision (a) or subdivision (a) of Section  
35 47605, a charter school that is unable to locate within the  
36 geographic boundaries of the chartering school district may  
37 establish one site outside the boundaries of the school district, but  
38 within the county within which that school district is located, if  
39 the school district where the charter school proposes to operate is  
40 notified in advance of the charter petition approval, the county

1 superintendent of schools is notified of the location of the charter  
2 school before it commences operations, and either of the following  
3 circumstances exist:

4 (1) The school has attempted to locate a single site or facility  
5 to house the entire program but such a facility or site is unavailable  
6 in the area in which the school chooses to locate.

7 (2) The site is needed for temporary use during a construction  
8 or expansion project.

9 (e) (1) For a charter school that was granted approval of its  
10 charter ~~prior to~~ *before* July 1, 2002, and provided educational  
11 services to pupils before July 1, 2002, this section shall only apply  
12 to any new educational services or schoolsites established or  
13 acquired by the charter school on or after July 1, 2002.

14 (2) For a charter school that was granted approval of its charter  
15 ~~prior to~~ *before* July 1, 2002, but did not provide educational  
16 services to pupils before July 1, 2002, this section shall only apply  
17 upon the expiration of a charter that is in existence on January 1,  
18 2003.

19 (3) Notwithstanding other implementation timelines in this  
20 section, by June 30, 2005, or upon the expiration of a charter that  
21 is in existence on January 1, 2003, whichever is later, all charter  
22 schools shall be required to comply with this section for schoolsites  
23 at which education services are provided to pupils ~~prior to~~ *before*  
24 or after July 1, 2002, regardless of whether the charter school  
25 initially received approval of its charter school petition ~~prior to~~  
26 *before* July 1, 2002. To achieve compliance with this section, a  
27 charter school shall be required to receive approval of a charter  
28 petition in accordance with this section and Section 47605.

29 (4) Nothing in this section is intended to affect the authority of  
30 a governmental entity to revoke a charter that is granted on or  
31 before the effective date of this section.

32 (f) A charter school that submits its petition directly to a county  
33 board of education, as authorized by Sections 47605.5 or 47605.6,  
34 may establish charter school operations only within the  
35 geographical boundaries of the county in which that county board  
36 of education has jurisdiction.

37 (g) Notwithstanding any other ~~provision of~~ law, the jurisdictional  
38 limitations set forth in this section do not apply to a charter school  
39 that provides instruction exclusively in partnership with any of the  
40 following:

1 (1) The federal Workforce Investment Act of 1998 (29 U.S.C.  
2 Sec. 2801 et seq.).

3 (2) Federally affiliated Youth Build programs.

4 (3) Federal job corps training or instruction provided pursuant  
5 to a memorandum of understanding with the federal provider.

6 (4) The California Conservation Corps or local conservation  
7 corps certified by the California Conservation Corps pursuant to  
8 Sections 14507.5 or 14406 of the Public Resources Code.

9 (5) Instruction provided to juvenile court school pupils pursuant  
10 to subdivision ~~(e)~~ (b) of Section 42238.18 or pursuant to Section  
11 1981 for individuals who are placed in a residential facility.

12 *SEC. 38. Section 47613 of the Education Code is amended to*  
13 *read:*

14 47613. (a) Except as set forth in subdivision (b), a chartering  
15 authority may charge for the actual costs of supervisory oversight  
16 of a charter school not to exceed 1 percent of the revenue of the  
17 charter school.

18 (b) A chartering authority may charge for the actual costs of  
19 supervisory oversight of a charter school not to exceed 3 percent  
20 of the revenue of the charter school if the charter school is able to  
21 obtain substantially rent free facilities from the chartering authority.

22 (c) A local *educational* agency that is given the responsibility  
23 for supervisory oversight of a charter school, pursuant to  
24 paragraph (1) of subdivision (k) of Section 47605, may charge for  
25 the actual costs of supervisory oversight, and administrative costs  
26 necessary to secure charter school funding. A charter school that  
27 is charged for costs under this subdivision may not be charged  
28 pursuant to subdivision (a) or (b).

29 (d) This section does not prevent the charter school from  
30 separately purchasing administrative or other services from the  
31 chartering authority or any other source.

32 (e) For purposes of this section, ~~a chartering authority~~  
33 “*chartering authority*” means a school district, county board of  
34 education, or the state board, that granted the charter to the charter  
35 school.

36 (f) For purposes of this section, “revenue of the charter school”  
37 means the ~~general purpose entitlement and categorical block grant,~~  
38 ~~as defined in subdivisions (a) and (b) of Section 47632.~~ *amount*  
39 *received in the current fiscal year from the local control funding*

1 *formula calculated pursuant to Section 42238.02, as implemented*  
2 *by Section 42238.03.*

3 (g) For purposes of this section, “costs of supervisorial  
4 oversight” ~~includes~~, *include*, but ~~is~~ *are* not limited to, costs incurred  
5 pursuant to Section 47607.3.

6 *SEC. 39. Section 47613.1 of the Education Code is amended*  
7 *to read:*

8 47613.1. (a) ~~The Superintendent of Public Instruction shall~~  
9 ~~make all of the following apportionments on behalf of a charter~~  
10 ~~school in a school district in which all schools have been converted~~  
11 ~~to charter schools pursuant to Section 47606, and that elects not~~  
12 ~~to be funded pursuant to the block grant funding model set forth~~  
13 ~~in Section 47633 in each fiscal year that the charter school so~~  
14 ~~elects: 47606:~~

15 ~~(a)~~

16 (1) From funds appropriated to Section A of the State School  
17 Fund for apportionment for that fiscal year pursuant to Article 2  
18 (commencing with Section 42238) of Chapter 7 of Part 24, 24 of  
19 Division 3, an amount for each unit of current fiscal year regular  
20 average daily attendance in the charter school ~~that is equal to the~~  
21 ~~current fiscal year base revenue limit for the school district to~~  
22 ~~which the charter petition was submitted: multiplied by the funding~~  
23 ~~rates calculated pursuant to Section 42238.02, as implemented by~~  
24 ~~Section 42238.03, except that average daily attendance generated~~  
25 ~~by pupils who are residents of the school district may be funded~~  
26 ~~pursuant to paragraph (1) of subdivision (a) of Section 42238.05.~~

27 ~~(b)~~

28 (2) For each pupil enrolled in the charter school who is entitled  
29 to special education services, the state and federal funds for special  
30 education services for that pupil that would have been apportioned  
31 for that pupil to the school district to which the charter petition  
32 was submitted.

33 ~~(c)~~

34 (3) Funds for the programs described in *former* clause (i) of  
35 subparagraph (B) of paragraph (1) of subdivision (a) of Section  
36 54761, *as that section read on June 30, 2005*, and Sections 63000  
37 and 64000, to the extent that any pupil enrolled in the charter  
38 school is eligible to participate.

39 (b) *Transfers of funding in lieu of property taxes pursuant to*  
40 *Section 47635 shall not apply to a school district in which all*

1 *schools have been converted to charter schools pursuant to Section*  
2 *47606.*

3 *(c) For each pupil residing in the school district and receiving*  
4 *instruction provided by the county office of education, a school*  
5 *district in which all schools have been converted to charter schools*  
6 *shall, for purposes of Section 2576, be treated as a school district*  
7 *in which all schools have not been converted to charter schools.*

8 *(d) The provisions of subparagraph (A) of paragraph (2) of*  
9 *subdivision (f) of Section 42238.02 that cap the percentage of*  
10 *unduplicated pupils used for calculating the concentration grant*  
11 *add-on to the percentage of unduplicated pupils of the school*  
12 *district in which the charter school is physically located shall not*  
13 *apply to a school district described in this section.*

14 *(e) Consistent with Section 47630, necessary small school*  
15 *funding shall not be provided to a school district described in this*  
16 *section.*

17 *SEC. 40. Section 47631 of the Education Code is amended to*  
18 *read:*

19 *47631. (a) Article 3 (commencing with Section 47636) shall*  
20 *not apply to a charter granted pursuant to Section 47605.5.*

21 *(b) A charter school authorized pursuant to Section 47605.5*  
22 *shall receive the average daily attendance rate calculated pursuant*  
23 *to paragraph (1) of subdivision (c) of Section 2574 for enrolled*  
24 *pupils who are identified as any of the following:*

25 *(1) Probation-referred pursuant to Section 300, 601, 602, or 654*  
26 *of the Welfare and Institutions Code.*

27 *(2) On probation or parole and not attending a school.*

28 *(3) Expelled for any of the reasons specified in subdivision (a)*  
29 *or (c) of Section 48915.*

30 *(4) Attending schools or classes established pursuant to Article*  
31 *2.5 (commencing with Section 48645) of Chapter 4 of Part 27.*

32 *(c) A charter school authorized pursuant to Section 47605.5*  
33 *shall be funded pursuant to the local control funding formula*  
34 *pursuant to Section 42238.02, as implemented by Section 42238.03,*  
35 *for all pupils except for pupils funded pursuant to subdivision (b).*

36 *(d) A charter school authorized pursuant to Section 47605.5*  
37 *shall be funded pursuant to the local control funding formula*  
38 *pursuant to Section 2575 for pupils receiving the average daily*  
39 *attendance rate computed pursuant to paragraph (1) of subdivision*



1 (c) of Section 2574 and identified in paragraphs (1) to (4),  
2 inclusive, of subdivision (b).

3 SEC. 41. Section 47632 of the Education Code is amended to  
4 read:

5 47632. For purposes of this chapter, the following terms shall  
6 be defined as follows:

7 (a) “General-purpose entitlement” means an amount computed  
8 by the local control funding formula pursuant to Section 42238.02,  
9 as implemented by Section 42238.03.

10 (b) “Economic impact aid-eligible pupils” means those pupils  
11 that are included in the economic impact aid-eligible pupil count  
12 pursuant to Section 54023. For purposes of applying Section 54023  
13 to charter schools, “economically disadvantaged pupils” means  
14 the pupils described in paragraph (2) of subdivision (a) of Section  
15 54026.

16 (c) “General-purpose funding” means those funds that consist  
17 of state aid, local property taxes, and other revenues applied toward  
18 a school district’s local control funding formula, pursuant to  
19 Section 42238.02, as implemented by Section 42238.03.

20 (d) “Categorical aid” means aid that consists of state or federally  
21 funded programs, or both, ~~which~~ that are apportioned for specific  
22 purposes set forth in statute or regulation.

23 (e) “Educationally disadvantaged pupils” means those pupils  
24 who meet federal eligibility criteria for free and reduced-price  
25 meals as specified in Section 49531, as that section read on January  
26 1, 2013, except in regard to meals in family day care homes.

27 (f) “Operational funding” means all funding except funding for  
28 capital outlay.

29 (g) “School district of a similar type” means a school district  
30 that is serving similar grade levels.

31 (h) “Similar pupil population” means similar numbers of pupils  
32 by grade level, with a similar proportion of educationally  
33 disadvantaged pupils.

34 (i) “Sponsoring local educational agency” means the following:

35 (1) If a charter school is granted by a school district, the  
36 sponsoring local educational agency is the school district.

37 (2) If a charter is granted by a county office of education after  
38 having been previously denied by a school district, the sponsoring  
39 local educational agency means the school district that initially  
40 denied the charter petition.

(3) If a charter is granted by the state board after having been previously denied by a local educational agency, the sponsoring local educational agency means the local educational agency designated by the state board pursuant to paragraph (1) of subdivision (k) of Section 47605 or if a local educational agency is not designated, the local educational agency that initially denied the charter petition.

(4) For pupils attending county-sponsored charter schools ~~who are eligible to attend those schools solely as a result of parental request pursuant to subdivision (b) of Section 1981, pursuant to Section 47605.5 who do not meet the criteria identified in subdivision (b) of Section 47631,~~ the sponsoring local educational agency means the pupils' school district of residence.

(5) For pupils attending countywide charter schools pursuant to Section 47605.6 who reside in a basic aid school district, the sponsoring local educational agency means the *pupils'* school district of residence ~~of the pupil: residence~~. For purposes of this paragraph, "basic aid school district" means a school district that ~~does~~ *did* not receive an apportionment of state funds as described in subdivision (o) of Section 42238.02 *in the prior fiscal year*.

*SEC. 42. Section 47634.3 of the Education Code is repealed.*

~~47634.3. For purposes of Section 47633, the Superintendent shall compute average daily attendance in each of grades 1 through 12, respectively, as follows:~~

~~(a) Distribute statewide total ungraded enrollment and average daily attendance among kindergarten and each of grades 1 through 12, inclusive, in proportion to the amounts of graded enrollment and average daily attendance, respectively, in each of these grades.~~

~~(b) Multiply enrollment in each of grades 1 through 12, respectively, by the ratio of average daily attendance to enrollment in the applicable grade range: 1 through 3, inclusive, 4 through 6, inclusive; 7 and 8; and 9 through 12, inclusive.~~

*SEC. 43. Section 47635 of the Education Code is amended to read:*

47635. (a) A sponsoring local educational agency shall annually transfer to each of its charter schools funding in lieu of property taxes equal to the lesser of the following two amounts:

(1) The average amount of property taxes per unit of average daily attendance, including average daily attendance attributable

1 to charter schools, received by the local educational agency,  
2 multiplied by the charter school's average daily attendance.

3 (2) ~~The statewide average local control funding formula grant~~  
4 ~~funding computed pursuant to subdivision (d) of Section 42238.02,~~  
5 ~~per unit of average daily attendance received by school districts,~~  
6 ~~as determined by the department, attendance,~~ multiplied by the  
7 charter school's average daily attendance in each of the four  
8 corresponding grade level ranges: kindergarten and grades 1, 2,  
9 and 3; grades 4, 5, and 6; grades 7 and 8; and grades 9 to 12,  
10 inclusive.

11 (3) Notwithstanding paragraph (2), until the Superintendent  
12 determines that a charter school is funded pursuant to Section  
13 42238.02 in the prior fiscal year, the Superintendent shall apportion  
14 funding per unit of average daily attendance pursuant to this article.  
15 The base grant for purposes of paragraph (2) shall be the sum of  
16 the entitlements for the charter school in the specified fiscal year  
17 as computed pursuant to paragraphs (1) to (4), inclusive, of  
18 subdivision (a) of Section 42238.03 and paragraph (3) of  
19 subdivision (b) of Section 42238.03, multiplied by the ratio of  
20 local control funding formula base grant funding computed  
21 pursuant to subdivision (d) of Section 42238.02 to the local control  
22 funding formula amount for the fiscal year computed pursuant to  
23 Section 42238.02.

24 (4) *If the sum of the funding transferred pursuant to this*  
25 *subdivision and the funding calculated pursuant to subdivision (e)*  
26 *of Section 42238.03 exceeds the sum of the amounts calculated*  
27 *pursuant to subdivisions (a) and (b) of Section 42238.03, the excess*  
28 *funding shall be used to offset funding calculated pursuant to*  
29 *subdivision (e) of Section 42238.03.*

30 (b) The sponsoring local educational agency shall transfer  
31 funding in lieu of property taxes to the charter school in monthly  
32 installments, by no later than the 15th of each month.

33 (1) For the months of August to February, inclusive, a charter  
34 school's funding in lieu of property taxes shall be computed based  
35 on the amount of property taxes received by the sponsoring local  
36 educational agency during the preceding fiscal year, as reported  
37 to the Superintendent for purposes of the second principal  
38 apportionment. A sponsoring local educational agency shall transfer  
39 to the charter school the charter school's estimated annual  
40 entitlement to funding in lieu of property taxes as follows:

1 (A) Six percent in August.

2 (B) Twelve percent in September.

3 (C) Eight percent each month in October, November, December,  
4 January, and February.

5 (2) For the months of March to June, inclusive, a charter  
6 school's funding in lieu of property taxes shall be computed based  
7 on the amount of property taxes estimated to be received by the  
8 sponsoring local educational agency during the fiscal year, as  
9 reported to the Superintendent for purposes of the first principal  
10 apportionment. A sponsoring local educational agency shall transfer  
11 to each of its charter schools an amount equal to one-sixth of the  
12 difference between the school's estimated annual entitlement to  
13 funding in lieu of property taxes and the amounts provided pursuant  
14 to paragraph (1). An additional one-sixth of this difference shall  
15 be included in the amount transferred in the month of March.

16 (3) For the month of July, a charter school's funding in lieu of  
17 property taxes shall be computed based on the amount of property  
18 taxes estimated to be received by the sponsoring local educational  
19 agency during the prior fiscal year, as reported to the  
20 Superintendent for purposes of the second principal apportionment.  
21 A sponsoring local educational agency shall transfer to each of its  
22 charter schools an amount equal to the remaining difference  
23 between the school's estimated annual entitlement to funding in  
24 lieu of property taxes and the amounts provided pursuant to  
25 paragraphs (1) and (2).

26 (4) Final adjustments to the amount of funding in lieu of  
27 property taxes allocated to a charter school shall be made in  
28 February, in conjunction with the final reconciliation of annual  
29 apportionments to schools.

30 (5) Subdivision (a) and paragraphs (1) to (4), inclusive, do not  
31 apply for pupils who reside in, and are otherwise eligible to attend  
32 a school in, a basic aid school district, but who attend a charter  
33 school in a nonbasic aid school district. With regard to these pupils,  
34 the sponsoring basic aid school district shall transfer to the charter  
35 school an amount of funds equivalent to the local control funding  
36 formula grant pursuant to Section 42238.02, as implemented by  
37 Section 42238.03, earned through average daily attendance by the  
38 charter school for each pupil's attendance, not to exceed the  
39 average property tax share per unit of average daily attendance for  
40 pupils residing and attending in the basic aid school district. The

transfer of funds shall be made in not fewer than two installments at the request of the charter school, the first occurring not later than February 1 and the second not later than June 1 of each school year. Payments shall reflect the average daily attendance certified for the time periods of the first and second principal apportionments, respectively. The Superintendent may not apportion any funds for the attendance of pupils described in this subdivision unless the amount transferred by the basic aid district is less than the local control funding formula grant pursuant to Section 42238.02, as implemented by Section 42238.03, earned by the charter school, in which event the Superintendent shall apportion the difference to the charter school from state funds.

*(c) Notwithstanding subdivisions (a) and (b), for a pupil attending a county charter program school authorized pursuant to Section 47605.6 for whom the county office of education is not educationally responsible, the county charter program school may seek in-lieu property tax reimbursement from the pupil's school district of residence in an amount agreed upon by the county charter program school and the school district of residence.*

SEC. 44. Section 47663 of the Education Code is amended to read:

47663. (a) (1) For a pupil of a charter school sponsored by a basic aid school district who resides in, and is otherwise eligible to attend, a school district other than a basic aid school district, the Superintendent shall apportion to the sponsoring school district an amount equal to 70 percent of the local control funding formula base grant computed pursuant to subdivision (d) of Section 42238.02, per unit of average daily attendance that would have been apportioned to the school district that the pupil resides in, and would otherwise have been eligible to attend.

(2) Notwithstanding paragraph (1), until the Superintendent determines that the school district the pupil resides in, and would otherwise have been eligible to attend, is funded pursuant to Section 42238.02 in the prior fiscal year, the Superintendent shall apportion, for average daily attendance pursuant to this article, 70 percent of the sum of the entitlements for the school district that the pupil resides in, and would otherwise have been eligible to attend, for the specified fiscal year as computed pursuant to paragraphs (1) to (4), inclusive, of subdivision (a) of Section 42238.03 and paragraph (3) of subdivision (b) of Section 42238.03,

1 divided by the average daily attendance for that fiscal year and  
2 then multiplied by the ratio of local control funding formula base  
3 grant funding computed pursuant to subdivision (d) of Section  
4 42238.02 to the local control funding formula amount for the fiscal  
5 year computed pursuant to Section 42238.02.

6 *(3) If the entitlements for the school district the pupil resides*  
7 *in, and would otherwise have been eligible to attend, as computed*  
8 *pursuant to paragraphs (1) to (4), inclusive, of subdivision (a),*  
9 *and paragraph (3) of subdivision (b), of Section 42238.03, include*  
10 *funding calculated pursuant to Article 4 (commencing with Section*  
11 *42280) of Chapter 7 of Part 24 of Division 3 for a fiscal year,*  
12 *paragraph (2) shall not apply and the apportionment of state funds*  
13 *for the average daily attendance credited pursuant to this section*  
14 *for that fiscal year shall be calculated pursuant to paragraph (1).*

15 (b) A school district that loses basic aid status as a result of  
16 transferring property taxes to a charter school or schools pursuant  
17 to Section 47635 for pupils who reside in, and are otherwise  
18 eligible to attend, a school district other than the school district  
19 that sponsors the charter school, shall be eligible to receive a pro  
20 rata share of funding provided by subdivision (a), with the proration  
21 factor calculated as the ratio of the following:

22 (1) The amount of property taxes that the school district receives  
23 in excess of its total base grant per unit of average daily attendance  
24 calculated pursuant to Section 42238.02, as implemented by  
25 Section 42238.03, before any transfers made pursuant to Section  
26 47635, except for transfers ~~of~~ in lieu of property taxes made for  
27 pupils who reside in, and would otherwise be eligible to attend, a  
28 school of the school district.

29 (2) The total amount ~~of~~ in lieu of property taxes transferred  
30 pursuant to Section 47635 to the charter school or schools that it  
31 sponsors, except for transfers ~~of~~ in lieu of property taxes made for  
32 pupils who reside in, and would otherwise be eligible to attend, a  
33 school of the school district.

34 (c) In no event shall the amount provided pursuant to this section  
35 exceed the amount ~~of~~ in lieu of property taxes transferred on behalf  
36 of charter school pupils who do not reside in the school district,  
37 less the proportionate amount of base grant state aid provided  
38 pursuant to Section 42238.02, as implemented by Section 42238.03,  
39 that is attributable to the charter school pupils who do not reside  
40 in the school district.

1 (d) The Superintendent shall not apportion funds for the  
2 attendance of a pupil in a charter school of a nonbasic aid school  
3 district who resides in, and is otherwise eligible to attend school  
4 in, a basic aid school district unless the pupil is subject to the  
5 ~~exception~~ *exceptions* set forth in paragraph (5) of subdivision (b),  
6 *and subdivision (c)*, of Section 47635.

7 (e) For purposes of this section, “basic aid school district” means  
8 a school district that does not receive from the state, for any fiscal  
9 year in which the subdivision is applied, an apportionment of state  
10 funds as described in subdivision (o) of Section 42238.02.

11 *SEC. 45. Section 48310 of the Education Code is amended to*  
12 *read:*

13 48310. (a) The average daily attendance for pupils admitted  
14 by a school district of choice pursuant to this article shall be  
15 credited to that school district pursuant to Section 46607. The  
16 attendance report for the school district of choice may include an  
17 identification of the school district of residence.

18 (b) Notwithstanding ~~any other provisions of law~~, state aid for  
19 categorical education programs for pupils admitted under this  
20 article shall be apportioned to the school district of choice.

21 (c) (1) For a school district of choice that is a basic aid school  
22 district, the apportionment of state funds for average daily  
23 attendance credited pursuant to this section shall be 70 percent of  
24 the *school* district local control funding formula base grant  
25 computed pursuant to subdivision (d) of Section 42238.02, as  
26 implemented by Section 42238.03, that would have been  
27 apportioned to the school district of residence.

28 (2) Notwithstanding paragraph (1), until the Superintendent  
29 determines that the school district of residence is funded pursuant  
30 to Section 42238.02 in the prior fiscal year, the Superintendent  
31 shall apportion, for average daily attendance pursuant to this article,  
32 70 percent of the sum of the entitlements for the school district of  
33 residence for the specified fiscal year as computed pursuant to  
34 paragraphs (1) to (4), inclusive, of subdivision (a) of Section  
35 42238.03 and paragraph (3) of subdivision (b) of Section 42238.03,  
36 divided by the average daily attendance pursuant to this article for  
37 that fiscal year and then multiplied by the ratio of local control  
38 funding formula base grant funding computed pursuant to  
39 subdivision (d) of Section 42238.02 to the local control funding

1 formula amount for the fiscal year computed pursuant to Section  
2 42238.02.

3 *(3) If the entitlements for the school district of residence*  
4 *computed pursuant to paragraphs (1) to (4), inclusive, of*  
5 *subdivision (a), and paragraph (3) of subdivision (b), of Section*  
6 *42238.03, include funding calculated pursuant to Article 4*  
7 *(commencing with Section 42280) of Chapter 7 of Part 24 of*  
8 *Division 3 for a fiscal year, paragraph (2) shall not apply and the*  
9 *apportionment of state funds for the average daily attendance*  
10 *credited pursuant to this section for that fiscal year shall be*  
11 *calculated pursuant to paragraph (1).*

12 ~~(3)~~

13 (4) For purposes of this subdivision, the term “basic aid school  
14 district” means a school district that does not receive from the  
15 state, for a fiscal year in which this subdivision is applied, an  
16 apportionment of state funds as described in subdivision (o) of  
17 Section 42238.02.

18 (d) The average daily attendance of pupils admitted by a school  
19 district of choice pursuant to this article shall be credited to that  
20 school district for purposes of any determination under Article 2  
21 (commencing with Section 17010) of Chapter 12 of Part 10 of  
22 Division 1 of Title 1 that uses an average daily attendance  
23 calculation.

24 *SEC. 46. Section 48359.5 of the Education Code is amended*  
25 *to read:*

26 48359.5. (a) For a school district of enrollment that is a basic  
27 aid school district, the apportionment of state funds for average  
28 daily attendance credited pursuant to this article shall be 70 percent  
29 of the school district local control funding formula base grant that  
30 would have been apportioned to the school district of residence  
31 pursuant to subdivision (d) of Section 42238.02. Apportionment  
32 of these funds shall begin in the second consecutive year of  
33 enrollment, and continue annually until the pupil graduates from,  
34 or is no longer enrolled in, the school district of enrollment.

35 (b) Notwithstanding subdivision (a), until the Superintendent  
36 determines that the school district of ~~enrollment~~ residence is funded  
37 pursuant to Section 42238.02 in the prior fiscal year, the  
38 Superintendent shall apportion, for average daily attendance  
39 pursuant to this article, 70 percent of the sum of the entitlements  
40 for the school district of ~~enrollment~~ residence for the specified



1 fiscal year as computed pursuant to paragraphs (1) to (4), inclusive,  
2 of subdivision (a) of Section 42238.03 and paragraph (3) of  
3 subdivision (b) of Section 42238.03, divided by the average daily  
4 attendance pursuant to this article for that fiscal year and then  
5 multiplied by the ratio of local control funding formula base grant  
6 funding computed pursuant to subdivision (d) of Section 42238.02  
7 to the local control funding formula amount for the fiscal year  
8 computed pursuant to Section 42238.02.

9 *(c) If the entitlements for the school district of residence*  
10 *computed pursuant to paragraphs (1) to (4), inclusive, of*  
11 *subdivision (a), and paragraph (3) of subdivision (b), of Section*  
12 *42238.03, include funding calculated pursuant to Article 4*  
13 *(commencing with Section 42280) of Chapter 7 of Part 24 of*  
14 *Division 3 for a fiscal year, subdivision (b) shall not apply and*  
15 *the apportionment of state funds for the average daily attendance*  
16 *credited pursuant to this section for that fiscal year shall be*  
17 *calculated pursuant to subdivision (a).*

18 ~~(e)~~

19 *(d) For purposes of this section, “basic aid school district” means*  
20 *a school district that does not receive an apportionment of state*  
21 *funds as described in subdivision (o) of Section 42238.02 for a*  
22 *fiscal year in which this section may apply.*

23 *SEC. 47. Section 52064 of the Education Code is amended to*  
24 *read:*

25 52064. (a) On or before March 31, 2014, the state board shall  
26 adopt templates for the following purposes:

27 (1) For use by school districts to meet the requirements of  
28 Sections 52060 to 52063, inclusive.

29 (2) For use by county superintendents of schools to meet the  
30 requirements of Sections 52066 to 52069, inclusive.

31 (3) For use by charter schools to meet the requirements of  
32 Section 47606.5.

33 (b) The templates developed by the state board shall allow a  
34 school district, county superintendent of schools, or charter school  
35 to complete a single local control and accountability plan to meet  
36 the requirements of this article and the requirements of the federal  
37 No Child Left Behind Act of 2001 related to local educational  
38 agency plans pursuant to Section 1112 of Subpart 1 of Part A of  
39 Title I of Public Law 107-110. The state board shall also take steps  
40 to minimize duplication of effort at the local level to the greatest

1 extent possible. The template shall include guidance for school  
2 districts, county superintendents of schools, and charter schools  
3 to report both of the following:

4 (1) A listing and description of expenditures for the 2014–15  
5 fiscal year, and each fiscal year thereafter, implementing the  
6 specific actions included in the local control and accountability  
7 plan.

8 (2) A listing and description of expenditures for the 2014–15  
9 fiscal year, and each fiscal year thereafter, that will serve the pupils  
10 to whom one or more of the definitions in Section 42238.01 apply  
11 and pupils redesignated as fluent English proficient.

12 (c) If possible, the templates identified in paragraph (2) of  
13 subdivision (a) for use by county superintendents of schools shall  
14 allow a county superintendent of schools to develop a single local  
15 control and accountability plan that would also satisfy the  
16 requirements of Section 48926.

17 (d) The state board shall adopt the template pursuant to the  
18 requirements of the Administrative Procedure Act (Chapter 3.5  
19 (commencing with Section 11340) of Part 1 of Division 3 of Title  
20 2 of the Government Code). The state board may adopt emergency  
21 regulations for purposes of implementing this section. *The adoption*  
22 *of emergency regulations shall be deemed an emergency and*  
23 *necessary for the immediate preservation of the public peace,*  
24 *health, safety, or general welfare.*

25 (e) *Notwithstanding subdivision (d), the state board may adopt*  
26 *the template in accordance with the requirements of the*  
27 *Bagley-Keene Open Meeting Act (Article 9 (commencing with*  
28 *Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of*  
29 *the Government Code). When adopting the template pursuant to*  
30 *the requirements of the Bagley-Keene Open Meeting Act, the state*  
31 *board shall present the template at a regular meeting and may*  
32 *only take action to adopt the template at a subsequent regular*  
33 *meeting. This subdivision shall become inoperative on January*  
34 *31, 2018.*

35 (e)

36 (f) Revisions to a template or evaluation rubric shall be approved  
37 by the state board by January 31 before the fiscal year during which  
38 the template or evaluation rubric is to be used by a school district,  
39 county superintendent of schools, or charter school.

40 (f)

1 (g) The adoption of a template or evaluation rubric by the state  
2 board shall not create a requirement for a governing board of a  
3 school district, a county board of education, or a governing body  
4 of a charter school to submit a local control and accountability  
5 plan to the state board, unless otherwise required by federal law.  
6 The Superintendent shall not require a local control and  
7 accountability plan to be submitted by a governing board of a  
8 school district or the governing body of a charter school to the  
9 state board. The state board may adopt a template or evaluation  
10 rubric that would authorize a school district or a charter school to  
11 submit to the state board only the sections of the local control and  
12 accountability plan required by federal law.

13 *SEC. 48. Section 52070 of the Education Code is amended to*  
14 *read:*

15 52070. (a) Not later than five days after adoption of a local  
16 control and accountability plan or annual update to a local control  
17 and accountability plan, the governing board of a school district  
18 shall file the local control and accountability plan or annual update  
19 to the local control and accountability plan with the county  
20 superintendent of schools.

21 (b) On or before August 15 of each year, the county  
22 superintendent of schools may seek clarification, in writing, from  
23 the governing board of a school district about the contents of the  
24 local control and accountability plan or annual update to the local  
25 control and accountability plan. Within 15 days the governing  
26 board of a school district shall respond, in writing, to requests for  
27 clarification.

28 (c) Within 15 days of receiving the response from the governing  
29 board of the school district, the county superintendent of schools  
30 may submit recommendations, in writing, for amendments to the  
31 local control and accountability plan or annual update to the local  
32 control and accountability plan. The governing board of a school  
33 district shall consider the recommendations submitted by the county  
34 superintendent of schools in a public meeting within 15 days of  
35 receiving the recommendations.

36 (d) The county superintendent of schools shall approve a local  
37 control and accountability plan or annual update to a local control  
38 and accountability plan on or before October 8, if he or she  
39 determines all of the following:

1 (1) The local control and accountability plan or annual update  
2 to the local control and accountability plan adheres to the template  
3 adopted by the state board pursuant to Section 52064.

4 (2) The budget for the applicable fiscal year adopted by the  
5 governing board of the school district includes expenditures  
6 sufficient to implement the specific actions and strategies included  
7 in the local control and accountability plan adopted by the  
8 governing board of the school district, based on the projections of  
9 the costs included in the plan.

10 (3) The local control and accountability plan or annual update  
11 to the local control and accountability plan adheres to the  
12 expenditure requirements adopted pursuant to Section 42238.07  
13 for funds apportioned on the basis of the number and concentration  
14 of unduplicated pupils pursuant to Sections 42238.02 and 42238.03.

15 (e) If a county superintendent of schools has jurisdiction over  
16 a single school district, the Superintendent shall ~~designate a county~~  
17 ~~superintendent of schools of an adjoining county~~ to perform the  
18 duties specified in this section.

19 *SEC. 49. For the 2014–15 fiscal year only, for tuition for pupils*  
20 *attending schools in adjoining states, the Superintendent of Public*  
21 *Instruction shall apportion to each applicable county*  
22 *superintendent of schools an amount sufficient to pay the amounts*  
23 *previously required or allowed to be paid for the 2013–14 fiscal*  
24 *year, pursuant to Sections 2002 to 2006, inclusive, of the Education*  
25 *Code, as those sections read on June 1, 2013.*

26 *SEC. 50. (a) The State Board of Education, working in*  
27 *collaboration with the State Department of Education, shall report*  
28 *to the Legislature no later than February 1, 2015, regarding the*  
29 *status of implementation of the local control funding formula. At*  
30 *a minimum, the report shall include all of the following:*

31 *(1) A description of the implementation roles and responsibilities*  
32 *of the State Department of Education, the State Board of Education,*  
33 *the California Collaborative for Educational Excellence, the Fiscal*  
34 *Crisis Management and Assistance Team, and county offices of*  
35 *education for local control funding formula oversight and technical*  
36 *assistance to local educational agencies.*

37 *(2) A description of implementation challenges to date and*  
38 *efforts made by state and local entities to address those challenges.*

1     (3) *Observations of the State Department of Education and the*  
2     *State Board of Education about the first year that local educational*  
3     *agencies completed their local control and accountability plans.*

4     (4) *The State Board of Education’s long-term vision for local*  
5     *control funding formula support and guidance to the field and*  
6     *which agency or agencies would provide that support and*  
7     *guidance.*

8     (b) *A report to be submitted pursuant to subdivision (a) shall*  
9     *be submitted in compliance with Section 9795 of the Government*  
10    *Code.*

11    SEC. 51. (a) *The sum of four billion seven hundred forty-seven*  
12    *million nine hundred fourteen thousand dollars (\$4,747,914,000)*  
13    *is hereby appropriated from the General Fund for the purposes*  
14    *of this act as follows:*

15    (1) *Four billion seven hundred twenty-one million nine hundred*  
16    *seventy thousand dollars (\$4,721,970,000) is appropriated to the*  
17    *Superintendent of Public Instruction and shall be allocated*  
18    *pursuant to the calculation in subdivision (b) of Section 42238.03*  
19    *of the Education Code.*

20    (2) *Twenty-five million nine hundred forty-four thousand dollars*  
21    *(\$25,944,000) is appropriated to the Superintendent of Public*  
22    *Instruction and shall be allocated pursuant to the calculation in*  
23    *subdivision (f) of Section 2575 of the Education Code.*

24    (b) *For purposes of making the computations required by*  
25    *Section 8 of Article XVI of the California Constitution, the*  
26    *appropriation made by subdivision (a) shall be deemed to be*  
27    *“General Fund revenues appropriated for school districts,” as*  
28    *defined in subdivision (c) of Section 41202 of the Education Code,*  
29    *for the 2014–15 fiscal year, and included within the “total*  
30    *allocations to school districts and community college districts*  
31    *from General Fund proceeds of taxes appropriated pursuant to*  
32    *Article XIII B,” as defined in subdivision (e) of Section 41202 of*  
33    *the Education Code, for the 2014–15 fiscal year.*

34    SEC. 52. *In regard to Section 22 of this act, the Legislature*  
35    *finds and declares that a special law is necessary and that a*  
36    *general law cannot be made applicable within the meaning of*  
37    *Section 16 of Article IV of the California Constitution because of*  
38    *the unique fiscal challenges for purposes of teacher induction and*  
39    *training for beginning teachers facing Alameda, Berkeley, San*  
40    *Leandro, and San Lorenzo Unified School Districts.*

1     *SEC. 53. This act is a bill providing for appropriations related*  
2     *to the Budget Bill within the meaning of subdivision (e) of Section*  
3     *12 of Article IV of the California Constitution, has been identified*  
4     *as related to the budget in the Budget Bill, and shall take effect*  
5     *immediately.*

6     ~~SECTION 1. It is the intent of the Legislature to enact statutory~~  
7     ~~changes relating to the Budget Act of 2014.~~